

**TABLE OF CONTENT**

<b>Chapter</b>	<b>Description</b>	<b>Page</b>
1.	<b>Introduction.....</b>	<b>1</b>
2.	<b>Economic Background.....</b>	<b>15</b>
3.	<b>Approach and Methodology.....</b>	<b>16</b>
4.	<b>Findings and Pay Considerations.....</b>	<b>25</b>
5.	<b>Review of the Total Reward System.....</b>	<b>34</b>
6.	<b>Review of Organisation Structures.....</b>	<b>38</b>
7.	<b>Performance Management and Performance Review.....</b>	<b>44</b>
8.	<b>Performance/Productivity Related Reward.....</b>	<b>51</b>
9.	<b>Training and Staff Development.....</b>	<b>61</b>
10.	<b>Recruitment and Retention Problems in the Public Sector and Employment on Contract</b>	<b>65</b>
11.	<b>Reforms in the Civil Service.....</b>	<b>91</b>
12.	<b>Public Sector Computerisation.....</b>	<b>94</b>
13.	<b>Review of Qualifications and Reward.....</b>	<b>99</b>

---

---

14. Other Pertinent Issues and Recommendations..... 105

<b>Chapter</b>	<b>Description</b>	<b>Page</b>
<b>15.</b>	<b>Conditions of Service.....</b>	<b>119</b>
	1. End-of-Year Bonus.....	121
	2. Travelling and Car Benefits.....	123
	3. Passage Benefit Scheme.....	166
	4. Leave.....	171
	5. Working Week, Flexitime, Workers on Shift/ Roster/Staggered Hours and Overtime.....	197
	6. Special Duty and Extra Duty Allowance.....	213
	7. Salary on Promotion.....	214
	8. Incremental Credit.....	218
	9. Acting and Responsibility Allowances.....	227
	10. Meal Allowance.....	233
	11. Out of Pocket Allowance.....	234
	12. Uniforms.....	235
	13. Public Service Pension Reforms.....	243
	14. Retirement and Retirement Benefits.....	246
	15. Civil Service Family Protection Scheme.....	257
	16. Risk, Insurance and Compensation.....	261
	17. Communication Facilities.....	265
	18. Redundancy Management.....	270
	19. Foreign Service Allowance and Other Related Allowances.....	272
<b>16.</b>	<b>Public Service Pension.....</b>	<b>281</b>
<b>17.</b>	<b>Rodrigues and the Outer Islands.....</b>	<b>284</b>
<b>18.</b>	<b>Statutory Boards and Committees.....</b>	<b>291</b>



---

---

<b>Annex</b>	<b>Description</b>
<i>I</i>	<i>Master Conversion Table</i>
<i>II</i>	<i>List of grades eligible for loan to purchase a 70% duty-free car for official travelling</i>
<i>III</i>	<i>List of grades eligible for loan to purchase a duty-free autocycle/motorcycle for official travelling</i>
<i>IV</i>	<i>Foreign Service Allowance (FSA) per month (in Foreign Currency)</i>
<i>V</i>	<i>Exchange Rate</i>
<i>VI</i>	<i>Ceiling of Rent and Utilities per month (in Foreign Currency)</i>
<i>VII</i>	<i>Entertainment Allowance per month (in Foreign Currency)</i>
<i>VIII</i>	<i>Allowances for Consul and Vice Consul</i>

.....

---

---

## 1. Introduction

- 1.1 The Pay Research Bureau (PRB) embarked on the preparation of the present Review of Pay and Grading Structures and Conditions of Service in the Public Sector in October 2001. The Report covers the Civil Service, the Parastatal and other Statutory Bodies, the Local Authorities, the Private Secondary Schools and Public Service Pensioners.

### Historical Perspective

- 1.2 A General Review of Pay and Grading Structures and Conditions of Service in the Public Sector is carried out once every five years. The last Review, which was published in August 1998, was implemented with effect from 1 July 1998.
- 1.3 Concerned parties were invited to submit within a period of three months as from the date of the approval of the Report for implementation any errors and omissions identified. The “Errors, Omissions and Clarifications of the 1998 PRB Report” was published in June 1999 to take effect as from 1 July 1998, except where otherwise specified.

### Industrial Disputes and Anomalies

- 1.4 The staff associations, however, showed dissatisfaction and alleged that there were numerous anomalies. The Government decided in July 1999 to set up an *ad hoc* Committee under the chairmanship of Mr. D. Heeralall C.M.G, former Secretary to Cabinet and Head of the Civil Service to look into representations from trade unions and individuals regarding the “alleged anomalies”. Its report was published in October 2000. The recommendations regarding adjustment of salary took effect as from 1 July 1998 while consequential changes related to salary and recommendations concerning travelling took effect as from 1 November 2000.
- 1.5 Though Government implemented the recommendations, many individuals as well as staff associations of the Civil Service, Parastatal and other Statutory Bodies and Local Authorities and employees of the Private Secondary Schools were still dissatisfied and under section 79 (i) of the Industrial Relations Act

declared dispute in respect of salaries and conditions of service of their members. The Federation of Civil Service Unions (FCSU) also declared industrial dispute on behalf of all employees of the Public Sector on a number of issues in December 2000.

- 1.6 It was decided that the requests could not be acceded to and the unions were informed that they should make their representations to the Pay Research Bureau in the context of the present review on Pay and Grading Structures and Conditions of Service in the Public Sector. However, the FCSU under section 81 of the Industrial Relations Act appealed to the Civil Service Arbitration Tribunal against the decision. On 18 July 2001, the Tribunal allowed the appeal and the decision was revoked.
- 1.7 Subsequently, under section 82 (i) (a) of the said Act, it was decided that meetings be held under the chairmanship of the Permanent Secretary of the Ministry of Civil Service Affairs and Administrative Reforms for discussions with a view to promoting a settlement of the dispute. The disputes from the staff associations of Parastatal and other Statutory Bodies and Local Authorities were referred to the Permanent Arbitration Tribunal (PAT).
- 1.8 The Ministry of Civil Service Affairs and Administrative Reforms had a series of meetings with the staff associations. Some issues in respect of conditions were addressed while others, mainly those dealing with salary, have again been referred to the Bureau for consideration in the context of the present overall review.

### **Tribunal's Award**

- 1.9 The Permanent Arbitration Tribunal (PAT), on the other hand, has made awards which have bearing on both salaries and conditions of service in one or two sectors. Strong representations have been made particularly from the secondary school sector and also from staff of concerned Parastatal Bodies to readjust relativity in the wake of the recommendations of the Permanent Arbitration Tribunal. The request of the Secondary School Teachers was subsequently referred to the Industrial Relations Commission (IRC). In a letter dated 12 May 2003, the IRC informed the parties concerned that “it has neither the power nor the expertise to assess whether the relativity established by the PRB

and the change created by the award of the PAT is justified,” and it recommended that the matter be referred to the PRB for consideration in the context of this Review.

### **Interim Special Allowance**

- 1.10 Following claims from the Primary School Trade Union Common Front, an agreement was signed by the Government and the Front in October 2002 for the payment of a special allowance (monthly incentive allowance) representing an average increase of 12% of basic monthly salary to Teachers/Senior Teachers, Deputy Head Teachers, Instructors (Physical Education Primary School) and Head Teachers/Senior Head Teachers, for additional work and responsibilities in the context of the on-going reforms in the education sector, particularly as regards the National Literacy and Numeracy Project. The allowance took effect from 1 January 2003.
- 1.11 In the wake of the grant of that allowance, the “Front Syndical de la Fonction Publique” disputed that established relativities had been disturbed and requested for adjustment in salaries. After discussions, Government agreed in December 2002 that all Civil Servants other than Teachers/Senior Teachers, Instructors (Physical Education Primary School), Deputy Head Teachers and Head Teachers/Senior Head Teachers of the primary sector, be paid a monthly special allowance equivalent to 5% of their basic salary, subject to a maximum of Rs 750, until the implementation of the 2003 PRB Report. The special allowance has become effective as from 1 January 2003. This allowance was granted on the basis of the argument that the 12% allowance granted to Teachers and other grades in the primary school sector had two components: one of 7% corresponding to the increase in the daily teacher/pupil contact hour and the remaining 5% representing an increase in the salary of the employees concerned in the context of reforms which were being effected almost in every sector.
- 1.12 In a letter dated 31 December 2002 to the Primary School Trade Union Common Front, Government explained that “In spite of the tight budgetary situation and



---

---

with a view to promoting good industrial relations in the Civil Service, Government has decided to extend the 5% increase to be paid to Teachers as from 1 January 2003 to all other employees of the Civil Service. You will therefore appreciate that it is not at all a question of Teachers being excluded but of extending to all other employees in the Civil Service the 5% that had already been granted to Teachers with effect from 1 January 2003”.

- 1.13 In view of the foregoing and considering the reasons for which the allowances were granted, the Bureau has integrated the 5% advance granted to public officers as from 1 January this year as well as the corresponding component of 5% in respect of Primary School Teachers, Teachers/Senior Teachers, Instructors (Physical Education Primary School), Deputy Head Teachers and Head Teachers/Senior Head Teachers of the primary sector in working out the recommended salaries in this Review.

### **Prevailing Environment**

- 1.14 The present pay structures are characterised both by compressed pay differentials and distorted relativities; moreover the pay system does not differentiate between poor and very good performers as the grant of increment has become almost automatic. Pay levels at the higher echelon have further widened in comparison with private sector counterparts while there are indications that at the lower levels the private sector is rapidly catching up with the public sector.
- 1.15 Moreover, public sector organisations are still facing recruitment and retention problems in several areas due to inadequacy of pay levels or to the paucity of skills. Another weakness of the pay system is that determination of pay and conditions of service is overcentralised. However, our experience with devolution of pay issues to organisations has not been very satisfactory.
- 1.16 Further, the present socio-economic and industrial environment is complex. While reforms are being carried out at an unprecedented pace, citizens as customers of the Public Service are becoming more and more demanding in terms of quality and timely services. As a result, public officers are subject to

increasing pressures for improved and timely service delivery both from the authorities and the public and in return expect to be adequately rewarded.

- 1.17 Moreover, while medium term fiscal consolidation programme as well as the need for the country to maintain its competitiveness require that pay be contained within reasonable limits, employees have very high expectations for significant pay increases. The management of this paradox in a context where the union is becoming more and more demanding and the need for obvious economic prudence, is the single most important challenge of this review.

#### **The Present Review**

- 1.18 As stated earlier, this review covers the Civil Service, the Parastatal and other Statutory Bodies, the Local Authorities, the Private Secondary Schools and Public Service Pensioners.

#### **Approach and Methodology**

- 1.19 The Bureau has adopted a transparent and consultative approach in dealing with parties in the context of this review. Management and staff unions as well as individuals from the Civil Service, Parastatal and other Statutory Bodies and Local Authorities were given the opportunity to depone separately. We, however, allowed staff representatives to attend part of the deliberations during meetings with management. This was done with the objective of sharing with parties the representations that could be considered and those that could not, particularly concerning the organisation structures. Parties were also sounded on possible options at those meetings. Feedback received confirmed that the novelty of our approach was very much appreciated.

#### **The Total Reward System**

- 1.20 An Integrated Reward Strategy has been adopted to address weaknesses and to respond to present day requirements in a pragmatic manner while setting the base for the movement over time from a purely entitlement culture to a mixture of entitlement and performance/eligibility culture. **Wherever desirable and**

---

---

**feasible, appropriate links have been established between rewards and desirable attitudes for improved performance.**

We cover under the Total Reward System:

- (a) organisation design with appropriate number of levels matching need for effective delivery of service with adequate career progression and career earnings;
- (b) fixed pay scales based on evaluation and determined centrally;
- (c) provision for the deferred introduction wherever possible and desirable for variable rewards/allowances based on predetermined parameters; and
- (d) revised conditions of employment to induce desired employee behaviour and attitude for improved performance.

### **Review of Organisation Structures**

- 1.21 The Bureau has reviewed structures of all organisations in the Public Sector and has, where appropriate, streamlined structures or merged levels to ensure speedy decision to respond quickly to the demands of the new environment. Certain structures have been reinforced by creating specialised units like Internal Audit, Policy and Planning, Research and Information Technology. In a few instances, promotion channels to provide career growth for employees have been opened, where the need exists, and promotion have been delinked with the hierarchy. **The Bureau has also recommended an appropriate machinery and framework for major organisation design in the Public Sector.**

### **Pay Structures**

- 1.22 Pay relativities have been established on the basis of evaluation and market realities. While having regard to the crucial issues of **national affordability and social acceptability**, the Bureau has, *inter alia*, considered the urgent need to:
- (i) set salary at levels that would enable public sector organisations to recruit, motivate and retain staff of the right calibre in right numbers;
  - (ii) re-establish relativities and differential in reward commensurate to responsibilities;
  - (iii) take into account the loss of purchasing power since the last review;

- (iv) upgrade certain skills in key areas and give the right signal for the study of subjects in specialised technical sectors and other priority areas;
- (v) ensure an acceptable return on the very high investment costs involved in the acquisition of certain skills;
- (vi) compensate for upgrading of qualifications, long working hours and skills in high demand and short supply;
- (vii) strike the right balance between pay as an instrument of economic management and as a requirement of human resource management; and
- (viii) strike the right balance between modern trend for flatter structures and the provision of career paths/earnings, provide room for personal growth and development as well as for some devolution in reward issues with appropriate control mechanism.

1.23 In short, the challenge of this review has been to find out the way to simultaneously redress all the weaknesses of the present pay system, to address all the human resource requirements of the day and to come up with pay structures and levels that would be effective and acceptable, in an environment of high expectations, and all these, with means that the country can afford.

### **Performance/Productivity Related Reward Schemes**

1.24 We have recommended the immediate introduction of Performance Management and wherever applicable, the phased deferred introduction of some form of Performance/Productivity Related Reward Schemes. The latter schemes would operate under a system of monitored devolution whereby organisations would come up with schemes which would be subject to the examination and consideration of a Standing Committee on Performance Related Reward and the approval of a High Level Committee chaired by the Secretary to Cabinet and Head of the Civil Service prior to implementation. As a precursor to Performance Related Reward, the grant of increments to officers should in effect be based on efficiency, diligence and commitment including positive behaviours like regularity and availability.

### **Conditions of Service**

- 1.25 Conditions of Service applicable to the Public Sector have been reviewed to induce desired employee behaviour and attitude for improved performance. Wherever appropriate, a hierarchy of benefits has been maintained/recommended to ensure that relativities established through evaluation are not disturbed. It is expected that the conditions of service would have beneficial results in the form of more effective recruitment; improved morale and loyalty; lower turn over and absenteeism; and good relations.

### **Presentation of the Report**

- 1.26 For convenience sake, the Report is being published in two volumes. Volume I which deals with the General Background and Related Issues also covers conditions of service, pension reforms, pension of public pensioners and issues related to Rodrigues and the Outer Islands. Volume II has **four** parts and deals with the Organisation and Pay Structures of the Civil Service, Parastatal and other Statutory Bodies together with the Private Secondary Schools, the Local Authorities and the Rodrigues Regional Assembly respectively. All recommendations concerning an organisation which were scattered in different occupational classes in previous reports, have been grouped under the respective Ministries/Departments and Organisations in Volume II Part I of the Report which deals with the Civil Service. A revised digital code has also been adopted for each grade and salary scale.

### **Conversion**

- 1.27 Our terms of reference require us to review the pay structures and conditions of service of public sector employees having regard, among other relevant factors, to the resources of the Government and the demands placed thereon, such as those on account of economic and social development and requirements of sound fiscal management. In this context, the Bureau has examined the cost implications of the different scenarios prior to making its recommendations.
- 1.28 As decided by Government, public sector employees are currently being paid, with effect from 1 January 2003, an interim allowance of 5% of their basic pay, subject to a maximum of Rs 750, pending this Review. The implementation of the recommendations contained in this Report, if implemented at one go, would cost the exchequer an overall amount of Rs 2325 million, inclusive of the interim allowance granted in January 2003. In the current economic circumstances, the choices have been between **a pay review severely restricted in scope and a**

**fair and equitable pay review implemented in stages.** We have chosen the latter option in the interest of all parties and are recommending accordingly.

1.29 Today, as we write the present report, the position of the Government finances, although not alarming, is by no means comfortable. While, on the one hand, it is true that Government is facing a difficult budgetary situation, on the other hand, lack of resources cannot be cited as an unalterable reason to deny Public Sector employees their due. However, it is but fair that pay is kept within the limits of national affordability.

1.30 Consequently, the implementation of the recommendations concerning emoluments is being phased over two financial years. Payment would therefore, be staged as follows: From 1 July 2003 to 30 June 2004, increases in excess of Rs 750 would be effected at the discounted rate of 75%; and thereafter with effect from 1 July 2004, payment would be effected in full. Our conversion have, in principle, been worked out on this basis.

**1.31 The converted salaries effective from 1 July 2003 should be in accordance with the salary conversion table at Annex I of both Volumes I and II of this Report. For the sake of convenience and to facilitate implementation, the conversion effective as from 1 July 2004 has also been included in the conversion table.**

1.32 Salaries used for conversion and indicated at the 3<sup>rd</sup> row in the conversion table are gross salaries as at 30 June 2003 including extra remuneration up to 30 June 2003. The special allowance granted by the Government as from 1 January 2003 as well as the corresponding amount of 5% out of the special allowance granted to the primary school sector with effect from 1 January 2003 has been integrated in the recommended salaries. The cost of living compensation payable as from 1 July 2003 has equally been integrated in the recommended salaries.

**1.33 (i) Conversion to the revised salaries should be effected after the grant of the annual increment due to officers on the 1 July 2003.**

**(ii) An officer whose salary point converts to a point in the master conversion table which is less than the initial salary recommended for his grade should draw the converted salary corresponding to the initial salary of his grade.**

**(iii) Where more than two salary points convert to the initial of a recommended salary scale, the third and fourth salary points shall convert to the second point and the**

fifth as well as all other salary points shall convert to the third point. The corresponding converted salary shall be applicable as from 1 July 2003.

- (iv) Officers other than part-time employees who have been granted flat salaries in this Report and whose conversion is not provided in the conversion table shall be eligible to a salary representing the sum of: (a) the gross salary at 30 June 2003 i.e. basic salary plus salary compensation; (b) the advance of Rs 750 granted as from January 2003; and (c) 75% of the difference between the recommended flat salary and the aggregate sum at (a) and (b) for the financial year 2003-2004.
- (v) Officers reckoning 25 years' service in a single grade, and who have been drawing the top salary of their scale prior to this Report, should be granted the converted salary corresponding to an additional increment to be read from their scale or the master salary scale with effect from 1 July 2003.
- (vi) Officers reckoning 22 years' service in a single grade requiring a degree/professional qualification obtained after at least three years' full time study and who have been drawing the top salary of their scale prior to this Report, should be granted the converted salary corresponding to an additional increment to be read from their scale or the master salary scale with effect from 1 July 2003.
- (vii) Officers mentioned at paragraph 1.33 (v) and (vi) above would be eligible, subject to satisfactory performance, to move one additional point to be read from the master salary scale once every two years, subject to a maximum of two increments. The first increment under this provision would be due only after an officer has stagnated on the top of his salary scale for two years as from 1 July 2003.

#### Effective Date

1.34 The Report should be implemented as from the 1 July 2003:

- 
- 
- (i) all recommendations in this Report concerning salaries and conditions of service which are directly related to salary e.g. Incremental Credit, Acting and Responsibility Allowances, Overtime rate per hour, Special Duty Allowance, Passage Benefits, Salary on Promotion etc. should take effect as from 1 July 2003 and should be computed on the basis of the converted salaries effective from 1 July 2003. For the purpose of determining eligibility for conditions of service e.g. passage benefits, overtime, leave, duty deferred facilities etc., the salary conversion of 1 July 2004 shall be deemed to have taken effect from 1 July 2003;
  - (ii) recommendations in respect of conditions of service which are not directly related to salary and which would not entail implementation difficulties should also take effect as from 1 July 2003. Some examples are: Sick Leave, Maternity Leave, Injury Leave, Vacation Leave, Casual Leave, Uniforms;
  - (iii) revised and New Allowances computed and specified in the Report, except where otherwise stated, shall take effect from 1 July 2003;
  - (vi) the recommendations concerning amendments in qualification requirements in schemes of service, changes in hours of work and work arrangements and creation of new grades etc. should take effect as from a forward date to be determined by the Ministry of Civil Service Affairs and Administrative Reforms; and
  - (vii) the recommendations of committees set up to study specific issues should take effect as from a date to be determined by a Monitoring Committee comprising representatives of the Ministry of Finance and the Pay Research Bureau under the chairmanship of the Secretary for Public Service Affairs, Ministry of Civil Service Affairs and Administrative Reforms.



- 1.35 Employees of the Public Sector who do not opt for the revised salaries and conditions of service contained in this Report, should be paid the compensation as set out in the Extra Remuneration Act effective from 1 July 2003.

---

---

### Implementation Costs and Measures to Step Up Savings

1.36 As mentioned above the implementation at one go of the recommendations made in this Report inclusive of Cost of Living Allowance (COLA) and Special Allowances integrated in salary would have cost Rs 2325 million for the financial year 2003-2004. With the phasing of the Report, the implementation costs for the financial year 2003-2004 are estimated at Rs 1865 million. The impact on Government Budget is estimated at 1.1 % of GDP for the coming financial year. It would therefore be desirable that appropriate saving schemes be evolved to mop up excess liquidity in the economy.

### Industrial Disputes

1.37 All industrial disputes referred to the Bureau have been dealt with in a comprehensive and conclusive manner and therefore stand corrected.

### Errors and Omissions

1.38 Genuine errors and omissions may however have occurred in a report of this extent and complexity particularly considering the fundamental changes in its presentation and the tight time frame for its preparation. **We, therefore, invite all parties concerned to submit any error and omission identified to the Bureau within a period of three months from the date of the approval of the Report for implementation. These would be dealt with within the shortest possible delay. Except for these errors and omissions, no piecemeal adjustment of salary should be effected until the next review.**

### Post Report

1.39 Past experience has shown that after each major review in the Public Sector, staff associations have declared disputes although opting for the implementation of the recommendations. The recommendations of independent Committees/Commissions to redress the alleged anomalies have almost always further disturbed established relativities. *To address this very sensitive issue, the Bureau is of the view that recommendations that have been accepted for implementation*

---

---

*by staff should not fall to be considered as Industrial disputes and recommends accordingly.*

**Relativities and Reforms**

1.40 Major reforms are being undertaken at an unprecedented pace in several sectors. The recommendations of this Report have taken into consideration the extent to which job content and responsibilities have been changed or are foreseeable. Any future change in job content/qualification requirement may or may not affect the grading of a position. Such cases can only be determined in an equitable manner by using the same methodology in the context of the same framework.

1.41 **It is therefore advisable that the present practice of referring such matter to the Bureau for determination continues.**

**Acknowledgement**

1.42 In the course of the preparation of this Report, the Bureau had intensive discussions with Management of Ministries/Departments and Organisations and with the Federations of Staff Associations and various Unions as well as individuals. The suggestions, representations and memoranda submitted have been of invaluable assistance. Some private organisations have also supplied information which have been very useful in analysing problems and formulating our policies and recommendations. We wish to express our gratitude and thanks to all of them and also to all persons who in one way or another have been of assistance to the Bureau in the conduct of this exercise.

\*\*\*\*\*

---

---

## 2. ECONOMIC BACKGROUND

- 2.1 The Mauritian economy registered an average annual growth of 5.1% in the period 1998-2002 with a low of 2.3% in 1999 and a high of 9.3% in 2000. Growth in 2002 was below the average of the last five years. The agricultural sector contracted by 19.4% as a result of the fall in sugar output and the Export Processing Zone (EPZ) by 4%. Tourism, financial services and construction recorded positive growth, with the last sector posting growth of 7%.
- 2.2 Developments on the international front over the last two years have not been very encouraging. World trade, which expanded by over 12% in 2000, did not show any growth at all in 2001. In 2002 world trade increased by 2.5% while the world economy is estimated to have grown by 3%. Dampening demand in the industrialized world for products originating from developing countries have cast a dark shadow on the prospects of trade expansion. According to the latest International Monetary Fund (IMF) projections, world output would increase by 3.2% in 2003. Growth in the Euro-zone and the US economy, which are the country's major export markets, is projected at 1.1% and 2.2% respectively.
- 2.3 Rising uncertainties in the wake of the Iraqi war, the bursting of the equity bubble and the recent scare over the SARS (Severe Acute Respiratory Syndrome) epidemic have combined to slow down the pace of economic recovery in industrialised countries. Consumption growth, a key variable to support demand, is stagnating. Tourist traffic over the world has been severely affected. Consumer and business confidence is weak and international investment flows have slowed. These developments will not be without implications for the Mauritian economy. The challenge facing Mauritius is, indeed, formidable because of the openness of the economy. It is also against this background that the present salary review has been undertaken.

\*\*\*\*\*

### **3. Approach and Methodology**

- 3.1 In this Chapter, we describe the Approach and Methodology used in the production of this Report. As pointed out earlier, this Report has been prepared in a complex socio-economic and industrial environment characterised by expectations for large pay increases and for improved conditions of employment on the one hand and the need for continued economic prudence not to jeopardise our financial and budgetary targets on the other. In that context, the Bureau considered it appropriate to adopt a very transparent and consultative approach in its dealing with parties, giving maximum information and explanation as possible, consulting parties, and seeking their views and active participation on pertinent issues; discerning the merits and demerits of their proposals; and sounding them on plausible options for inclusion in the Report. For greater transparency, the Bureau favourably acceded to the unions' requests to allow their members to attend part of the deliberations during meetings held with the management of Ministries/Departments and Organisations. Parties were even informed at those meetings which of the representations could be considered and the reasons for which others could not be entertained. Feedback received confirmed that the novelty of our approach was highly appreciated.
- 3.2 Initially, meetings were held with representatives of the main Federations namely the Federation of Civil Service Unions, the State Employees Federation, the “Fédération des Syndicats des Corps Constitués,” the Mauritius Labour Congress and the Federation of Progressive Unions to apprise them of the new approach. Subsequently, a sensitisation programme was launched and senior officers of the Bureau delivered a series of talks to union members. Thereafter, by way of circular letters Staff Associations and Management of Organisations were invited to make written submissions prior to the scheduling of formal meetings.
- 3.3 The Bureau also conducted a number of surveys to assess the effectiveness of past recommendations and to formulate appropriate changes. Site visits were effected, wherever required, to have a better understanding of jobs and the working environment. Interviews were carried out and fresh job descriptions were written for evaluation.

#### **Collection of Data**

- 3.4 Heads of Ministries/Departments, Parastatal and other Statutory Bodies and Local Authorities were requested to submit information regarding their organisations' visions, missions and objectives as well as proposals for re-engineering/structural changes e.g. delayering, merger of grades, creation of additional levels and redefinition of job specifications that would enable organisations to meet their missions and objectives more efficiently and effectively. They were

also requested to submit their views on conditions of service, including the proposals for modifications/improvements taking into account factors such as desired employee behaviour, acquired rights, cost implications and benefits to stakeholders.

- 3.5 To finalise job evaluation for the determination of the relative worth of jobs, views of both Management and Staff Side were sought on fundamental issues e.g. salary ratios, salary differentials, extent of overlapping and compensation for shift work. To this end, a list of benchmark grades from the Public Sector containing the present basic salaries and those existing prior to the 1993 and 1998 PRB Reports was provided to them. They were asked to formulate proposals, taking into consideration market factors, national affordability, social acceptability and such other criteria as qualification, experience, duties and responsibilities, span of control, hours of work, among others.
- 3.6 On the other hand, all Staff Associations were called upon to make separate proposals to the Bureau on grades they represent, taking into consideration the elements mentioned in the foregoing paragraphs.

### **Meetings**

- 3.7 Management of Ministries/Departments, Parastatal and other Statutory Bodies, Local Authorities and Staff Unions as well as individuals who expressed the wish to be heard, were given the opportunity to depone. Discussions during these meetings were focused on proposals for structural changes that may increase the effectiveness of organisations, like delayering, creation of additional levels, pay relativities, span of control, reporting line, technology used and qualification. Discussions were also held on the advisability of introducing changes in the reward system, e.g. the introduction of variable pay linked with achievement of targets and allowance for night duty.
- 3.8 Heads of Ministries/Departments/Organisations deponed independently or in the presence of representatives of the parent Ministries in case of Parastatal and other Statutory Bodies and Local Authorities. The representatives of the Ministry of Civil Service Affairs and Administrative Reforms attended all the meetings with management invariably. Members of unions attended the meetings with management, particularly, when matters relating to structural changes were discussed.

### **Job Description Writing**

- 3.9 Job descriptions provide information about the actual content of a job and are used as a foundation for job evaluation. On this account, it was necessary to update the records in respect of some 5000 grades in the Civil Service, Parastatal and other Statutory Bodies, Local Authorities and the Private Secondary Schools involving some 77000 job incumbents. Neither time nor

funds could permit every single job to be surveyed with a population of this size. Given these two major constraints, it was only feasible to survey a representative sample. The frame for this exercise was built up from the lists of grades submitted by Ministries/Departments/Organisations as at 15 December 2001. The stratified random sampling method was applied to sample around 10% of officers in the respective grades. Only officers with top salary of less than Rs 8370 monthly were interviewed and job descriptions written, while the others were asked to write their own job descriptions on the basis of designed questionnaires provided to them. Guidelines and glossary of terms used for job description writing as well as personal assistance were provided to sampled jobholders writing their own job descriptions.

- 3.10 To ensure veracity and consensus on the duties actually being performed by jobholders, job descriptions were invariably signed by jobholders and vetted by their immediate supervisors.

### **Surveys**

- 3.11 A series of specific surveys was conducted by the Bureau to collect factual information on certain pertinent issues; to ascertain the validity of our previous recommendations; to assess the need for future changes and to formulate appropriate recommendations. These surveys were on:
- (a) **Sick Leave** to assess the extent to which the measures enunciated in the 1998 PRB Report have been effective in combating the problem of absenteeism and to take stock of the actual situation.
  - (b) **Communication Facilities in the Public Sector - Telephone (rental and calls), Fax and E-mail facilities at Residence and Free Cellular Phone** to find out grades/officers in the Public Sector who are benefiting from communication facilities at their place of residence, and to re-examine the issue regarding such provision.
  - (c) **Recruitment and/or Retention Problems in the Public Sector** to assess the extent to which the measures enunciated in the 1998 PRB Report have been effective in alleviating the problem of scarcity, and to take stock of the actual situation to enable the formulation of appropriate recommendations.
  - (d) **The Introduction of Performance Related Reward (PRR) Scheme(s) in the Public Sector** to seek views of concerned parties on the advisability of introducing PRR Schemes in the Public Sector.

### **Site Visits**

- 3.12 Site visits to Ministries, Departments and Organisations were effected whenever it was expedient to take cognizance of distinctive features related to the set up, job, working conditions, work environment, use of special tools and equipment, occupational risks etc.

### **Visit to Rodrigues**

- 3.13 As for previous reviews, visits to Rodrigues were organised to meet both management and the staff side. In the first instance, a team of five officers visited the Island mainly to conduct surveys and write job descriptions. Sampled job incumbents were interviewed and their job descriptions written. Officers drawing more than Rs 8370 a month were requested to write their own job descriptions. All job descriptions were invariably signed by respective job incumbents and vetted by their supervising officers to validate their contents.
- 3.14 The management team of the Bureau comprising the Director and the Deputy Director with representatives of the Ministry of Civil Service Affairs and Administrative Reforms, visited



Rodrigues from 9 to 12 April 2003. During their stay, meetings were held with both staff and management. Discussions with staff side were mainly on their representations, while those with management were focused on the human resource requirements and organisational changes resulting from the political and administrative devolution to the Island.

**Methodology**

- 3.15 Two distinct weighted point rating job evaluation schemes have been used to determine the relative worth of jobs, one for grades in the manual and related groups namely General Field and Office/Premises Worker, Handyman, Driver, etc, and the other, for grades in the clerical, executive, technical, administrative and professional (CETAP) cadres. These were supplemented by other non-analytical evaluation schemes.
- 3.16 A pilot job evaluation exercise was carried out on benchmark grades in respect of each scheme to test its impact on job hierarchies and their validity. Fresh job descriptions and the respective schemes of service of the grades were analysed to ensure that the existing factors in the two job evaluation schemes have taken into account all relevant job characteristics. Some factors had to be redefined to cater for new elements and changes in jobs. In the light of the amendments brought in, the benchmark grades were reassessed and the job evaluation schemes finalised.

- 3.17 Using the respective finalised job evaluation schemes, all the grades in the Public Sector were then assessed on the basis of their job descriptions and schemes of service. The job rating panels comprised at least three officers. To ensure fair and consistent use of the technique and to avoid subjectivity, common mistakes like halo effect, central tendency, leniency, harshness and bias during assessment of jobs, the panels were headed by senior and more experienced officers.
- 3.18 For each entry grade, the sum of scores as rated under the different factors plus that for qualification criteria gave the "Total Score". These total scores have been used as a basis for grouping of entry grades and their eventual pricing.
- 3.19 In the first instance, two important benchmark grades near the ends of the spectrum namely the General Field and Office/Premises Worker at the lower end and the Permanent Secretary at the upper end were chosen. The pay of these benchmarks were then determined considering the erosion of purchasing power since the last review, the movement in GDP per capita and the pay of counterparts in other sectors of the economy. As regards the General Field and Office/Premises Worker an important consideration has also been the need to strike the right balance between the conflicting views that Government should as a model employer continue to lead on ground of social policy and the need to practise competitive pay rates for economic reasons thus allowing the private sector to catch up. At the upper end the pay of the Permanent Secretary has been set at a level considered adequate to motivate incumbents and to ensure social acceptability.
- 3.20 Using these two salary levels as a basis, the salaries of all benchmark entry grades were then determined considering the change in the job content and evaluation scores, their market worth and the erosion of purchasing power for period July 1998 to date.
- 3.21 A functional relationship between the two variables - new salaries and total job scores, was established graphically. A line of best fit was drawn through the scattergram as a measure of linear association which provided the best equivalent of pay to any given value of job score. Using the linear formula function, the salaries of all entry grades were determined. Grades were, as far as possible, clustered to avoid a multiplicity of scales.
- 3.22 As regards promotional grades, the job content scores, i.e. total scores without the rating of factor

Education, the salary grading of the source grades, the number of levels in the respective hierarchies and additional qualification requirements for promotion to the next higher level, were used for pay determination.

- 3.23 Work on shift, roster and staggered hours have been additionally compensated and the quantum integrated in the recommended salaries. We are additionally providing for a night allowance to shift workers working effectively at night.
- 3.24 In working out the salary levels in a pay structure, we have generally ensured a difference of three increments between two levels. However, in certain instances, due to the multiplicity of levels in organisations or the reason for which a grade has been created or the duties and responsibilities of concerned grades, the difference has been deliberately set at less than three increments. This is perfectly in order and should in no case be considered as an anomaly.
- 3.25 The recommended salary scales except for flat salaries up the echelon are segments of the following newly devised Master Salary Scale:

**Rs 4800 x 125 - 5675 x 150 - 7325 x 175 - 8200 x 200 - 9000 x 250 - 10000  
x 300 - 10600 x 400 - 15000 x 500 - 17000 x 600 - 20000 x 800 - 28000 x 1000  
- 40000**

#### **Presentation of the Report**

- 3.26 There are at present approximately 1,700 grades in the Civil Service classified in 26 occupational groups known as Classes.
- 3.27 The present system of classification has, over time, been the cause of increased discontent. The classification is often confused with the definition of classes used for promotion or for the implementation of Conditions of Service, resulting in unnecessary and avoidable claims. Moreover, representations have continuously been made by staff associations for grades to be transferred from one class to another on the basis that the duties performed are more akin to the other class but often with the belief that the change/transfer would bring about an upward review in salary. Others have claimed that the whole system should be done away with, arguing that classification of jobs by occupational classes creates watertight compartments and sets limits to mobility within the service.

- 3.28 The Bureau has given careful consideration to the whole issue and has discussed it with concerned parties. As the organisation structures are linked to and depend upon the mandate of Ministries/Departments and the pay structures are based on the number of levels in the organisation structures, the Bureau considers that in this present review it would be more practical to look at both structures Ministry/Departmentwise. Such an approach would, besides emphasising the link between the mandate of organisation and their structures, facilitate the treatment of specific issues proper to each organisation.
- 3.29 The recommendations related to organisation design and pay structures have therefore been made under the relevant Ministries/Departments. Within each Ministry/Department, grades have been classified hierarchywise in descending order of salaries. Common grades falling under the responsibility of one Ministry but posted in different Ministries/Departments are dealt with in the section dealing with the responsible Ministry. As such, the salary recommendations of Finance Officers posted in different Ministries/Departments, are made under the Ministry of Finance. Likewise, the General Service grades are dealt with under the Ministry of Civil Service Affairs and Administrative Reforms which is the responsible Ministry for these grades.
- 3.30 With regard to the Workmen's Group, which alone concerns not less than 150 grades, cutting across invariably all Ministries and Departments in the Civil Service, it has not been possible to deal with the write-up in respect of all these grades under their respective Ministries/Departments in a piecemeal manner, with the obvious risk of omission or repetition. We have, therefore, for the purpose of this exercise, dealt with the write-up concerning this category of employees in a separate Chapter - "Workmen's Group". However, our pay recommendations are dealt with under the respective responsible Ministries/Departments.
- 3.31 Further, to render classification and retrieval of information simpler, a new method of coding has been adopted. A six digit code has been used to indicate the salary scale attached to each grade. The first two digits indicate the nature of service provided, the second two digits indicate the initial salary and the last two

digits, the top salary recommended for the grade. The last two sets of digits representing the minima and maxima of salaries, are derived from the ranking orders of the relevant salary points in the Master Salary Scale. As regards flat salaries, "00" is used to indicate that there is no salary initial and the last set of two digits is derived from the ranking order of salaries, a higher figure representing a higher salary.

\*\*\*\*\*

---

---

## 4. Findings and Pay Considerations

- 4.1 This review exercise aims to redress the weaknesses of the present pay system and to enable organisations deliver their mandate effectively. The review is a major means of implementing reward policies and strategies to ensure recruitment, motivation and retention of the right people at the right place in right numbers. The exercise has, therefore, been conducted on the principle of equity and fairness but without overlooking national affordability and social acceptability.
- 4.2 The review equally aims at improving the delivery of public services with committed people - the lifeblood of organisations. The philosophy is based on the foundation that (a) the delivery of public service can be improved further and further through a review of its structures, systems and processes; and (b) the reward mechanism can bring about the necessary motivation and the desired employee attitude and behaviour to improve performance.
- 4.3 We overview in the ensuing paragraphs the main findings and considerations pertinent to the conduct of the exercise including the socio-economic and industrial environment, the salient features of the present remuneration packages, the pertinent personnel and organisational issues like recruitment and retention problems, cost of acquiring skills as well as the other relevant considerations, which impact on relativities ranging from changes in job content, upgrading of qualification etc. We then examine the cost of living considerations, the union's proposals and the affordability considerations. The need to establish appropriate links between desirable attitudes and behaviours for improved performance is emphasised. We conclude with the need to come up with a pay system and levels that would be effective and with means that the country can afford.

### **Socio-economic and Industrial Environment**

- 4.4 The socio-economic and industrial environment in which this review is being conducted is far more complex than that prevailing for previous exercises. With reforms being carried out at an unprecedented pace throughout all economic sectors, citizens are becoming more and more demanding in terms of quality and timely services. As a result, public officers are subject to increasing pressures for improved and timely service delivery both from the authorities and the public and, in return, expect to be adequately rewarded.
- 4.5 Most importantly, while, on the one hand, medium term fiscal consolidation programme requires that pay be contained within reasonable limits, on the other, employees have very high expectations for significant pay increases particularly in the wake of certain recent pay awards. The management of this paradox, in a context where the union is becoming more and more demanding against the

continued need for economic prudence, is the single most important challenge of this review.

- 4.6 Moreover, the present public sector pay structures reveal several weaknesses which need redress. We elaborate upon a few salient features hereunder.

#### **Salient Features of the Public Sector Remuneration Package**

- 4.7 The pay of employees at and near the top continue to be behind those of comparable positions in the Private Sector while the public sector still leads in terms of remuneration at the lower levels though there are indications that the gap is closing. While, on the one hand, it makes economic sense to partly bridge the gap at the top and allowing the private sector to further catch up at levels where public sector pay exceeds market rates, strong arguments are put in favour of a living wage (to enable an acceptable living standard without having to undertake a second job) at the lower level. The argument rests on the premise that government, as a model employer, should be a pacesetter on grounds of social policy.

#### **Pay Dispersion**

- 4.8 The disparities in remuneration between public sector personnel and their counterparts who have moved in privatised institutions have further widened, thus affecting the morale of public sector personnel who stayed behind.

---

---

**Compressed Differentials**

- 4.9 The compression of pay differentials, i.e. too little difference in salary between organisational levels due mainly to tapering increases, has been damaging to the Public Service as adequate differential is not only a recognition of and a reward for increased responsibilities, but is also a major incentive for promotion. The pre-tax Permanent Secretary/General Field and Office/Premises Worker salary ratio, which was set at 7.5:1 in 1998, has dropped to 6.4:1 today. The post-tax ratio would work out to 6.2:1. Such a ratio is very low and is undoubtedly not compatible with the need for government to achieve its mission and objectives. A gradual reduction of pay differential is also viewed as a systematic devaluation of the worth of a job and of the employee with a consequent loss of motivation.

**Distorted Relativities**

- 4.10 *Ad hoc* pay reviews and awards have distorted horizontal relativities set through job evaluation and this is a cause of much frustration. Relativities refer to relative worth of jobs with one another and are based on accepted norms and have very strong social and historical foundations. The committee set up to look into alleged anomalies arising out of the 1998 PRB Report had adjusted salaries of quite a few grades which in its wisdom were anomalous. In the process, the relativities of important benchmark grades established after serious research and generally used as reference points have been disturbed.

**Automatic Increment**

- 4.11 There is dissatisfaction and demotivation amongst high performing employees as commitment and outstanding performance are not always recognised and adequately rewarded as officers irrespective of performance get the same pay and treatment in terms of promotion. The grant of yearly increment has become almost automatic.



---

---

### **Pertinent Organisational Issues**

- 4.12 Other current personnel and organisational issues identified as becoming increasingly problematic or relevant to efficient public sector management and which need consideration in this review include recruitment and/or retention problems and the high cost of acquisition of certain skills.

#### **Skills in Short Supply**

- 4.13 The critical skill shortage problem among certain categories of professionals is still present in certain areas of the Public Sector. This has been attributed to several factors such as (a) the unavailability of sufficient qualified candidates particularly in the fields of Science and Technology e.g. Doctors and Specialists as the cost of acquisition of such skills have become exorbitant, not to say prohibitive; (b) the comparatively better pay packages offered in the Private Sector in areas like Surveying, Town and Country Planning; (c) the international demand for certain locally trained staff e.g. Nurses and Teachers and the immigration policy of certain countries; and (d) the high turnover rates of overqualified recruits. This element is dealt with more elaborately at **Chapter 10 on “Recruitment and Retention Problems in the Public Sector and Employment on Contract”**.

### **Cost of Acquisition of Qualifications and Skills**

- 4.14 The cost involved in the acquisition of qualifications and skills remains a pertinent issue. The inputs required and the sacrifice involved in getting through an examination, in learning a trade and in acquiring a professional qualification, differ largely and depend on numerous factors like the field and venue of study, the stage or level or the degree of specialisation. Evidently, the longer the length of training/study, the higher the cost of inputs involved, the greater the effort required and the shorter the professional career. In spite of the numerous courses run by the University of Mauritius, the University of Technology and other local Vocational Training Institutions, a few disciplines still require formal overseas study and training at very high costs. The inputs involved for the obtention of professional qualifications abroad are significant. It has been represented that studies in discipline like medicine cost in the range of Rs 4 to 5 million in the United Kingdom. We consider that the aspiration of individuals for their remuneration, to be seen as a return for investment on their study and training, is very legitimate and this has been taken into account.

#### **Other Considerations**

##### **Emphasis on Science**

- 4.15 Today, more and more students are taking non-science subjects for higher studies. Consequently, in certain fields of advanced science barring a first degree, it is becoming difficult to recruit professionals due to the unavailability or limited number of suitably qualified candidates on the

local labour market resulting very often in non-response to public advertisements. The problem is one of supply as for years the majority of students have not been opting for science subjects at secondary school. Aware of this mismatch, Government has reviewed educational contents at all levels to better prepare school-leavers for the world of work, in line with the drive to make of Mauritius a high-skill knowledge and service hub. Particular emphasis is being laid on the learning of Information and Communication Technologies (ICT) and science subjects in schools and tertiary institutions. In that context, a case is made to devise a reward strategy to improve the prospects of advanced scientific positions both in terms of career and earnings.

### **Upgrading of Qualification Requirements**

4.16 We have also witnessed an on-going process of reforms in certain vital areas of the Public Sector. In certain cases, these have bearings on the level of duties and responsibilities (both in terms of volume and complexity) befalling on the incumbents and on the academic input required of them. There are also cases where in the course of a career an officer is required to acquire additional qualifications for promotion and it has been argued that it would be advisable to require same right at the entry level. In other instances, officers recruited, particularly in grades requiring only the School Certificate, when sponsored for formal courses at the University of Mauritius or any other training institutions, no longer satisfy the minimum entry requirements for admission. In view of the challenges and organisational requirements, coupled with the changes in the manpower profile in terms of improved qualification, it has become imperative to recommend an upgrading of qualifications for several entry grades in the service, this, in order to reflect the changes occurring and to correct the mismatch between job content and qualification requirements.

### **Changes in Job Content**

4.17 With reforms taking place across the Public Sector, the working patterns i.e. the effective days and hours of work, and the types of work and work processes, development strategies, programmes as well as systems and new technologies, have a bearing on job content. This has also been an important consideration.

### **Compensation for Cost of Living**

4.18 Tapering increases are granted annually for compensation in the rise of cost of living. As a result of such increases, the loss of purchasing power has been more acute for officers in the higher pay brackets than for those in the lower pay brackets. The loss of purchasing power is estimated at 8% at the lower level and more than 30% at the top of the echelon.

- 4.19 It is considered that this loss should in the medium term be restored. The loss of purchasing power for the period July 1998 to June 2003 has, therefore, been a major consideration in this review.

### **Need for Some Devolution**

- 4.20 Views have also been expressed that determination of pay and conditions of service is too centralised and the present salary structure too rigid. The system does not allow for devolution of pay determination on Chief Executives nor is there flexibility in application. It is, therefore, argued that the status quo is not conducive to the proper delivery of the mandate of public sector organisations and consequently to economic development. On the other hand, our experience with devolution has not been very satisfactory and in certain instances have even disturbed the industrial climate. Caution has, therefore, been exercised in treading on the path of pay devolution.

### **Economic Background**

- 4.21 As mentioned in Chapter 2, the Mauritian economy registered an average annual growth of 5.1% in the period 1998-2002 with a low of 2.3% in 1999 and a high of 9.3% in 2000. However, government agenda to reduce budgetary deficit to 3% by 2005/2006 still requires containment of public expenditure and improvement in the buoyancy of our tax system. It is strongly argued that the practice of more than competitive pay rates would seriously jeopardise the achievement of those targets. Further developments on the international front over the last two years have not been very encouraging. Rising uncertainties in the wake of the Iraqi war, the bursting of the equity bubble and the recent scare over the SARS (Severe Acute Respiratory Syndrome) epidemic have combined to slow down the pace of economic recovery in industrialised countries.

### **Unions' Claims**

- 4.22 We have also, in the context of this review, examined the claims of the unions. The salient ones are highlighted hereunder.
- 4.23 The unions have asked for a minimum salary of Rs 9000 for the General Field and Office/Premises Worker, a living wage to enable only one wage earner to cater for all his family needs without having to engage in a second occupation; the re-establishment of relativities disturbed by the *ad hoc* Committee set up to look into the alleged anomalies; and a general increase in pay levels, related allowances and conditions of employment. In general, the Federations of Unions would wish for a further narrowing of differential, while simultaneously claiming large pay increases for the professionals and senior civil servants – a task impossible even for a superhuman! In the Education Sector, the pre-primary school teachers request for

parity with the primary school teachers, the primary with the secondary, the secondary with the tertiary and in the tertiary sector, the Lecturer is requesting for a merger with the Senior Lecturer.

4.24 Moreover, senior civil servants are claiming for major pay increases. By way of examples, the Association of Public Administrators has proposed that the present salary ratio of 1:7.5 between the top salary of the General Field and Office/Premises Worker and the Permanent Secretary be reviewed to 1:12, as was the case previously, which works out to a monthly salary of around Rs 85000 for the Permanent Secretary. The Mauritius Magistrates' Association, has on its part, submitted that the salary of its members should be increased by at least 50% to avoid further depletion within the service and shortage of Judicial Officers. The Government Medical Consultants' Association has made a plea for the Consultant's existing flat basic salary of Rs 30670 to be increased to Rs 60000 considering qualification required for appointment, cost of acquisition of skills, job content, responsibilities and accountability.

4.25 It should be noted that the grant of all the requests of the unions would cost the exchequer several billion rupees and is consequently unaffordable and unsustainable. On the other hand, experience shows that too large increases at the higher level though warranted from the market stance and economically sustainable are not easily acceptable.

4.26 We are, therefore, faced with an insurmountable challenge.

### Conclusion

4.27 While having regard to the crucial issues of national affordability and social acceptability, the Bureau has, *inter alia*, considered the need to:

- (i) set salary at levels that would enable public sector organisations to recruit, motivate and retain staff of the right calibre in right numbers;
- (ii) re-establish relativities and differential in reward commensurate to responsibilities which are fair and seen to be fair;
- (iii) take into account the loss of purchasing power since the last review;
- (iv) upgrade certain skills in key areas and give the right signal for the study of subjects in specialised technical and other priority fields;
- (v) ensure an acceptable return on the very high investment costs involved in the acquisition of certain skills e.g. in the medical sector;
- (vi) compensate for upgrading of qualifications, long working hours and skills in high demand and short supply;

- (vii) strike the right balance between pay as an instrument of economic management and as a requirement of human resource management;
- (viii) strike the right balance between modern trend for flatter structures and the provision of career paths wherever appropriate and provide room for personal growth and development; and
- (ix) provide for some devolution in reward issues with appropriate control mechanism.

4.28 In short, the challenge of this review has been to find out the way to simultaneously redress all the weaknesses of the present pay system, to address all the human resource requirements of the day and to come up with the pay system and levels that would be effective and acceptable in an environment of high expectations, and all these within means that the country can afford.

4.29 In reviewing the reward system, an integrated Reward Strategy has been adopted as employee benefits as well as their costs to the employer are looked at from a total reward angle. The constituent elements of the Total Reward Package have also been examined individually in details to establish, wherever possible and desirable, appropriate links between rewards and desirable behaviours and attitudes for improved performance. The review of the reward system is discussed in more details in the next Chapter.

\*\*\*\*\*

## 5. Review of the Total Reward System

- 5.1 The wage and salary programmes in the Public Sector have undergone only superficial change over the years. Recently, however, re-engineering initiatives have opened the door to and encouraged the critical re-thinking of practices and models. A review is the ideal opportunity and most appropriate time to address these issues. We are, therefore, revisiting the present reward practices, evaluating its strong points and weaknesses and coming up with a strategy based on modern trends and requirements.

### Present Reward System

- 5.2 At present, the reward system comprises a basic salary and other financial and non-financial rewards contained in conditions of service. In addition, employees are generally in a career structure, and subject to fulfilling certain conditions/criteria, are eligible for promotion up the echelon. Moreover, employees in the Public Sector have a relatively higher security of tenure than their counterparts in the Private Sector.
- 5.3 It is the totality of this reward system, which is a cost to the government and a benefit to the employee, that is crucial and has to be taken into account in making comparison across sectors or for other human resource management decisions.

### Weaknesses

- 5.4 The salient features of the present remuneration system as highlighted in the previous chapter and its impact on personnel are elaborated below:
- (i) The pay of employees at and near the top continue to be behind those of comparable positions in the Private Sector while the Public Sector still leads in terms of pay at the lower levels though there are indications that the gap is closing. While, on the one hand, it makes economic sense to partly bridge the gap at the top and allowing the private sector to further catch up at levels where public sector pay is above market rates, strong arguments are put in favour of a living wage. The argument rests on the premise that government as a model employer should be a pacesetter on grounds of social policy.

- (ii) The system of cost of living compensation has compressed pay differentials, which is damaging to the Public Service as adequate differential is not only a recognition of and a reward for increased responsibilities, but is also a major incentive for promotion.
- (iii) *Ad hoc* pay reviews have distorted horizontal relativities set through job evaluation and this is a cause of much frustration. Relativities refer to relative worth of jobs with one another and are based on norms and have very strong social and historical foundations.
- (iv) Disparities in remuneration between public sector personnel and their counterparts who have moved in privatised companies have further widened, thus affecting the morale of public sector employees who stayed behind.
- (v) There is dissatisfaction and demotivation amongst high performing employees as commitment and outstanding performance are not always recognised and rewarded as officers irrespective of performance get the same pay and treatment in terms of promotion. The grant of yearly increment has become almost automatic.
- (vi) There exist recruitment and/or retention problems in respect of several grades particularly in the fields of Science and Technology owing to: (a) unavailability of sufficient qualified candidates; (b) the international demand for certain locally trained staff such as Nurses and Teachers and the immigration policy of certain countries; and (c) the high turnover rates of overqualified recruits.
- (vii) Views have also been expressed that determination of pay and conditions of service is too centralised and the present salary structure too rigid as the system does not allow for devolution of pay determination on Chief Executives nor is there flexibility in application. It is, therefore, argued that the status quo is not conducive to the proper delivery of the mandate of public sector organisations and consequently to economic development. On the other hand, our experience with devolution has not been very satisfactory and in certain instances have even disturbed the industrial climate.

### **Integrated Reward Strategy**

- 5.5 To remedy the situation, an Integrated Reward Strategy has been adopted to address the foregoing weaknesses and to respond to present day requirements in a pragmatic manner. Among others, the strategy aims to set the base for the movement over time from an **Entitlement** culture to a mix of **Entitlement/Eligibility** culture; for the devolution of some personnel and reward issues with appropriate control mechanism; and for the recruitment of experienced candidates at a fairly high level in the echelon. It should further facilitate organisations deliver their mandate more effectively by enabling them to set standards that match their needs; stimulating desired new behaviour; motivating and energising employees; and providing incentives for improved performance.

### **Total Reward System**

- 5.6 In order to respond to the foregoing needs, the Bureau has evolved a Total Reward System which includes:
- (a) organisation designs with appropriate number of levels which match the need for effective delivery of service with that of adequate career progression and career earnings;
  - (b) revised conditions of employment to induce desired employee behaviour and attitude for improved performance;
  - (c) fixed pay scales based on evaluation and determined centrally; and
  - (d) provision for some form of performance/productivity related rewards/allowances based on predetermined parameters, wherever desirable.
- 5.7 The Total Reward System has been looked at in a holistic manner that is pay and benefits together with organisation structures and promotion prospects and in the broader framework of performance management along with training and development needs and sanctions. Moreover, each of the components of the Total Reward System and where appropriate, their constituent elements have also been examined in detail to establish, wherever possible and desirable, appropriate links between rewards and desired attitudes for improved performance. This strategy has also enabled the Bureau to examine those personnel functions that could be usefully delegated to organisations.



- 5.8 The New System also provides for employment and remuneration on contractual terms in respect of specific grades in a New Senior Executive Service and for some devolution in reward issues with appropriate control mechanism.

\*\*\*\*\*

## **6. Review of Organisation Structures**

- 6.1 No salary review in the Public Sector can ensure the successful achievement of its objectives without a careful and indepth examination of the structures of its organisations and their reshaping, where necessary, to reflect the change in responsibilities, technology and to cater for future needs. An organisation structure depicts the structural aspect of a system or how an organisation is departmentalised namely its layers, its spans of control and its relationships involving exercise of authority, co-ordination, control, measure of results and communication.
- 6.2 The various salary consultants commissioned to review pay and conditions of employment in the Public Sector have revisited the organisation structures and re-engineered them to enable organisations to meet their missions and objectives more efficiently.
- 6.3 In our previous Reports, we have, where necessary, redesigned the public sector organisations by providing them with the best possible organisational structures taking into consideration the need for delayering and for more space for communication and empowerment to enhance organisational efficiency and to deliver a customer based service. In between reviews, we have tried to maintain the system put in place or bring about modifications based on needs. In addition, organisations hire the services of outside consultants or have recourse to the Ministry of Civil Service Affairs and Administrative Reforms and the Management Audit Bureau to re-engineer their structures to better meet their mandates.
- 6.4 The present organisational structures in the Public Service are generally and traditionally multilayered and pyramidal. Very few structures are lean and flat. In many instances, additional levels have been added to existing hierarchies not because of needs but to provide for career advancement so much so that certain structures have become heavy. In a few instances, certain structures of professional cadres have been improved deliberately to attract and retain professionals in scarce supply to tackle chronic problem of shortage whilst in others, levels were created to be at the apex of organisations but, in the course of time, more and more officers have been appointed to the grades thus defeating the purpose for which they were created.
- 6.5 It has also been observed that in professional hierarchies, for similar range of salaries, the structures vary from one cadre to another. In the Administrative Cadre, the Assistant Secretary and the Principal Assistant Secretary form a two level structure whilst in other corresponding

Professional Graduate Cadres, the number of levels vary from three to four. Representations have been received for harmonising these structures.

- 6.6 In the context of the present review, the Bureau has carried out an indepth study of all the organisation structures in the Public Sector and has, where appropriate, streamlined them, merged levels or created new ones to ensure speedy decision taking and to respond quickly to the demands of the environment. We have further reinforced certain structures by creating specialised units for Internal Audit, Policy and Planning, Research and Information Technology etc. In a few instances where the need has been felt, particularly at the lower levels, we have opened promotion channels to provide career growth for the employees and delinked promotion with the hierarchy. Such new grades do not in principle form a hierarchy for reporting i.e. the source grade would not necessarily report to the officer in the promotional grade.
- 6.7 Although we have been advocating flatter structures as a matter of policy for improved performance, we have deliberately refrained from changing fundamentally certain multilayered structures where they have been found necessary for operational requirements. Cases falling in this category include more particularly the disciplined forces, the general service and structures with a large labour force. In a few instances, it has not been possible due to the specificity of the organisations, the human resource and costs implications and the demotivational effects that would have resulted from the disturbance of strongly embedded traditional arrangements to proceed with merger of existing levels. Moreover, such mergers would have satisfied a few officers but frustrated others.
- 6.8 With the ongoing Public Sector Reforms, many organisations structures will still have to be re-engineered to respond to the changes of work environment and as a key strategy in improving efficiency in government, as and when the need arises. **The Bureau recommends the following framework as a guide for better organisation design and delivery of service:**
- (a) **an organisation structure should allow adequate scope for an individual to perform well with clarity of tasks and responsibilities;**
  - (b) **it should focus attention on the major objectives of an organisation;**
  - (c) **it should ensure that related activities are appropriately grouped;**
  - (d) **it should facilitate decision making process, flow of information and coordination of activities at all levels;**
  - (e) **it should be stable yet adaptable to future needs; and**
  - (f) **it should minimise the reporting levels prior to decision taking.**

**As a general rule and as an antidote to delay, the third level should be the last where a decision is taken.**

6.9 Moreover, the guidelines for the creation of new posts as set out in the Ministry of Civil Service Affairs and Administrative Reforms Circular No. 1 of 2002 which is being reproduced below for ease of reference, should continue to serve as a basis for creation of new posts in future.

*"Creation of a new post*

- (a) *The need for the creation of a new post must be well established.*
- (b) *It must be clearly stated whether the creation of the new post is warranted as a result of*
  - 
  - (i) *the staffing of a new function linked to a new (or a change in) policy goal/objective or to the implementation of a project;*
  - (ii) *a new level of responsibility which must be created within an existing structure to increase organisational effectiveness and efficiency.*
- (c) *Information must be provided on the activities/operations/tasks associated with the new post and what they are intended to achieve. Wherever possible, the benefits to be derived must be quantified.*
- (d) *The creation of the post must be envisaged only after the following possibilities of carrying out the new function have been explored -*
  - (i) *re-allocation of duties;*
  - (ii) *redeployment of staff;*
  - (iii) *improvement of work methods;*
  - (iv) *use of new equipment;*
  - (v) *passing the work on to another organisation within the public sector where it can be done more efficiently and economically;*
  - (vi) *depending on priority of needs, postponing the work for another budget;*
  - (vii) *contracting out.*
- (e) *The number of posts to be created and their concomitant levels must also be fully justified. If the posts constitute a new structure, an organisation chart must be submitted depicting clearly its interlinkages within the broader organisation of the Ministry/Department.*

- (f) *The duties, responsibilities, qualifications (i.e. knowledge, skills and abilities), experience and personal qualities required for the post must be accurately and clearly spelt out.*
- (g) *The following practices must be avoided -*
  - (i) *multi-layering, i.e. the creation of grades without taking into account the scope of the work and levels of responsibility involved. A new level is created only when it brings added value to the work;*
  - (ii) *creation of supervisory posts for the mere sake of giving promotion;*
  - (iii) *creation of isolated posts which are not integrated in a career structure;*
  - (iv) *creation of permanent posts to meet temporary needs”.*

6.10 We have observed that many organisational structures are redesigned either by management or by hired consultants in between two reviews to meet the demands and to ensure that new strategies are not unnecessarily hampered and objectives are met in time. However, these restructuring are done without taking into account the repercussionary implications on the rest of the Public Service. In many instances, the creation of additional levels or merger of levels have given rise to claims for similar treatment from comparable hierarchies. On this account and given the high frequency of organisational restructuring across the Public Service, the Bureau considers that such an exercise could best be monitored by a Standing Committee on Organisation Design which would, among other things, examine the issues holistically; address the need for changes, if any; and decide on appropriate course of action in harmony with public service best practices.

#### **Recommendation 1**

6.11 **We recommend the setting up of a Standing Committee on Organisation Design under the chairmanship of the Secretary for Public Service Affairs and comprising representatives of the Pay Research Bureau, the Management Audit Bureau and the Ministry of Finance:**

- (a) **To advise on organisational structuring in the Public Service.**
- (b) **To examine requests of major restructuring in the Public Sector and to decide on appropriate course of action.**
- (c) **To examine cases/reports on major redesign and to make appropriate recommendations.**
- (d) **To require appropriate institutions/individuals, or to set up such *ad hoc* working multidisciplinary teams or committees as it deems necessary, to carry out management analysis and consultancy exercises or staff inspections in**

---

---

organisations with a view to determining the right work procedures, appropriate number of levels and establishment size at each position and to make appropriate recommendations.

**Recommendation 2**

6.12 We further recommend that the Standing Committee on Organisation Design should stand guided by the content of the design framework at paragraph 6.8 above in making its recommendations.

\*\*\*\*\*

---

---

## **7. Performance Management and Performance Review**

- 7.1 In this environment of constant change and increasing complexity, new management thinking and approaches are emerging which focus on the need for continuous learning and improvement and for organisations to deliver effectively. These approaches identify people as the lifeblood of organisations and highlight the need to develop, reward and make optimum use of employees' skills and capacities to achieve organisation goals and objectives. This shift in thinking reflects the growth in knowledge work and the importance of tapping available skills and expertise of a talented workforce to achieve high performance through regulated Performance Management Schemes.
- 7.2 Performance Management which emerged as a reaction to the negative aspects of "merit rating" and "management by objectives", is designed to improve performance by understanding and managing performance within an agreed framework of planned goals, objectives and standards. It provides the opportunity to identify development needs of employees as well as a basis for rewards. Performance Management enlists the participation of employees in the whole performance process and in the words of Michael Armstrong "*is based on the simple proposition that when people know and understand what is expected of them, and have been able to take part in forming those expectations, they can and will perform to meet them*".
- 7.3 A performance management system penetrates and impacts on all aspects of an organisation and its people. It encompasses:
- ◆ Corporate and strategic planning to define the long and short term aims and values of a particular organisation and translation of these into operational plans for the organisation, its divisions, and work plans for each individual.
  - ◆ Assessment and provision of training and other support in response to identified priorities.

- ◆ Development of appropriate measures of performance at the level of the organisation, the division and the individual.
- ◆ Regular review, adjustment, feedback and recognition of achievement.

7.4 In summary, performance management approaches ensure that strategic directions are set, current organisational objectives identified, appropriate budget allocations made and tasks set for the achievement of desired results. Better planning, measuring and reporting are promoted. Improved communication with and motivation of employees are emphasised.

7.5 Performance Management is often confused with performance appraisal or the confidential reporting system presently in force in the service. It is neither. Performance Appraisal as an integral aspect of Performance Management focuses, *inter alia*, on four main work dimensions - inputs in the form of skills, knowledge and competence; process as regards the manner activities are carried out; output in terms of work accomplished; and outcome in terms of the overall contribution of work towards the achievement of the goals of the organisation.

7.6 It is evident from the foregoing that confidential reporting in the manner it is done today falls short of current organisation expectations and requirements. However, the Confidential Reporting System is still being used to assess an employee's performance and to evaluate his suitability or otherwise for promotion. The system which dates back to the colonial days has undergone only a few changes and contains weaknesses which have to be revisited.

7.7 Against this background, the Task Force on Performance Management set up in the context of Civil Service Reforms and comprising the staff side, the official side and private sector representatives had come up with a Draft Performance Management Framework (PMF) for the Civil Service, Parastatal and other Statutory Bodies and Local Authorities. The Task Force had recommended, to facilitate implementation, that the activities falling under the framework be split into two sets, namely those activities that can be immediately implemented,



baptised as the “corporate obligations” and those that concern the appraisal of employees known as the “Performance Review Scheme”.

### **Corporate Obligations**

7.8 The first part of the Draft Performance Management Framework makes it compulsory for each and every Ministry/Department to adopt corporate strategic planning and to introduce its vision, mission and value statements; define organisational objectives and divisional work targets, measure achievement of same against established performance indicators and regularly report thereon.

### **Performance Review Scheme**

7.9 The other part of the framework which deals with the appraisal of employees starts with a performance agreement based on predetermined work plan, continues with regular reviews, and completes the circle with a general review of performance, assessment of development needs and recognition of performance.

7.10 Feedback received from Ministries/Departments on the content of the framework and the approach to be adopted, has generally been favourable. Dr Peter Frost of the Commonwealth Secretariat also commended the Performance Management initiative to all stakeholders at a high level seminar on Reforms in the Civil Service in October 2002.

7.11 The Steering Committee on Civil Service Reforms has agreed to the implementation of the Performance Management Framework in all organisations of the service. As such, an action plan has been devised by the Ministry of Civil Service Affairs and Administrative Reforms to sensitise Ministries/Departments on the whole matter. The Ministry has embarked on Performance Management activities for others to emulate. Further, a Pilot Performance Review Scheme to appraise employees is being launched for officers in the Administrative Class. It is understood that other Departments like the Income Tax, Police and Customs have already established some form of performance appraisal and that the Commonwealth Secretariat has also been contacted to provide relevant consultancy services.

7.12 At this stage, there is need to state once again the Performance Management activities that have to be conducted, clarify the roles and responsibilities of all concerned stakeholders, and set clear time frame for implementation. We are making relevant recommendations in this Report to

address these and to accelerate the inculcation of a performance management culture in all Ministries/Departments within a reasonable time frame.

**Recommendation 1**

**7.13 We recommend the setting up of a high level Performance Monitoring Committee under the chairmanship of the Secretary to Cabinet and Head of the Civil Service and comprising the Financial Secretary, the Secretary for Public Service Affairs, the Director, Pay Research Bureau, the Director, Management Audit Bureau and two Senior Officers of the level of Permanent Secretary or above to monitor the Performance Management initiative, evaluate progress and give such directions as may be necessary to steer and accelerate the inculcation of a Performance Management Culture in the Public Sector. The committee would also be responsible to approve rewards for extraordinary performance/breakthrough or sanctions for continuous serious shortcomings.**

**Recommendation 2**

**7.14 As Performance Management is a line function, we recommend that Responsible Officers should assume responsibility and take ownership for the adoption of Performance Management in their organisations.**

**7.15 We also recommend that all organisations should come up with a periodic plan containing at least:**

**(a) the mission and value statement of the organisation; (b) the main services that the organisation offers; (c) the organisation's and division's targets for the year; and (d) performance measures and indicators to assess the effectiveness of the organisation.**

**7.16 The plan which should be updated as often as is required may also contain information regarding the continued justification for the provision of the services; the annual cost of providing the services over a period of time; alternative methods and cost of providing the services, if any; and such other information, as may be necessary, to assess the effectiveness of the service.**

**Recommendation 3**

**7.17 We further recommend that organisations should evaluate and review periodically their performance in relation to established targets and report on achievements/shortfalls in respect of the set targets to the Performance Monitoring Committee by the 15 January or 15 July of every year**

depending upon whether the appropriate year of reporting should be the calendar year or the financial year.

#### **Recommendation 4**

**7.18 We recommend that each organisation should adopt and implement a Performance Review Scheme as an integral part of Performance Management on a continuous basis. All reasonable steps should be taken so that the Performance Review Scheme is in place in all organisations by March 2004.**

7.19 The different steps falling under the Performance Review Scheme are set out below:

- Agreement between Management and Staff on accountabilities, tasks, objectives, knowledge, skill and competence requirements, and performance measures and targets.
- Agreement of work plans and personal development and performance improvement plans.
- Regular evaluation and feedback on performance.
- Interim progress reviews on performance.
- An annual performance review, which takes stock of past events but lays more emphasis on training and development needs followed by new performance agreement.
- Recognition of performance and formal development and training programmes prompted by the performance review.

#### **Recommendation 5**

**7.20 We further recommend that a special unit headed by the Supervising Officer and comprising members from the Personnel, Finance and Technical Divisions and Staff Representatives be set up in every organisation to look**

into all issues relating to the implementation of Performance Management. The Unit should liaise with the Ministry of Civil Service Affairs and Administrative Reforms for appropriate guidelines and support.

**Recommendation 6**

**7.21** The Ministry of Civil Service Affairs and Administrative Reforms should as a coordinating Ministry be a proactive key player, responsible to spearhead the introduction of the Performance Management System and inculcate a Performance Management Culture in the Public Service. It shall, *inter alia*, be expected to:

- (a) sensitise Organisations/Departments on Performance Management through workshops, seminars and publications;
- (b) issue guidelines and booklets to facilitate and speed up the introduction of Performance Management and the inculcation of the right culture;
- (c) mount and run courses for appraisers and appraisees;
- (d) hire the services of consultants whenever required to assist it in its role of facilitator; and
- (e) interact with organisations to maintain systems put in place.

**7.22** We also recommend that the Administrative Reforms Unit of the Ministry of Civil Service Affairs and Administrative Reforms should be manned by officers with expertise in Human Resource Management and wide experience preferably in the field of Performance Evaluation/Performance Management to enable it to pro-act and respond positively to the needs of organisations.

**Recommendation 7**

**7.23** We recommend that:

- (a) the present system of confidential reporting be maintained concurrently with the implementation of the Performance Review Scheme for a period to be agreed upon between the Ministry of Civil Service Affairs and Administrative Reforms and the Public Service Commission. After that date appraisal under the Performance Review Scheme shall be used as a basis to assess and evaluate the suitability or otherwise of employees for promotion; and
- (b) organisations having successfully implemented Performance Management System may apply for the grant of rewards under the Performance/Productivity Related Reward Scheme as per recommendations at Chapter 8.

\*\*\*\*\*

## **8. Performance/Productivity Related Reward**

8.1 Pay-for-performance in the corporate world, driven by companies' search for greater competitive advantage, has contributed significantly to the pressure on government to reinvent people management practices. As such, a primary goal in redesigning public sector compensation systems has been the strengthening of the linkage between Performance and Reward. In that regard, emphasis is being increasingly placed on merit pay and group incentive plans though many countries are still in a "trial and error mode" trying new ideas and working to strengthen existing plans.

### **Present Pay System**

8.2 The existing pay structures in the Public Sector mainly comprise sets of pay scales with incremental progressions to which employees are eligible in July each year. **The increments are meant to be earned.** Though regulations provide that an officer is not entitled to draw any increment as of right but only with the approval of the Responsible or Supervising Officer and where his work and conduct have been at least satisfactory, the annual increment has invariably been recommended to every officer on pay scales such that today increments have become almost automatic. Only in rare exceptional cases of default or through strict application of regulations are increments stopped, withheld or deferred. The pay system is thus deprived of one of its strongest motivators to induce desired behaviour to improve performance.

8.3 Moreover, our pay system has often been criticised as being too rigid with too little room for the exercise of discretion. Responsible and Supervising Officers who are accountable to achieve their mandates, are allegedly constrained by the existing system which does not give them a free hand to reward their staff. It is argued that a flexible system of reward linked with performance would go a long way towards motivating employees and enabling organisations to meaningfully achieve their mandates and targeted objectives. A case has been made for the

need to have a system which would motivate through appropriate rewards the different levels of performance and effort differently.

### **Foreign Experience**

8.4 Many developed countries have introduced Performance Related Pay in their Reward Systems in one way or another. In Australia, flexibility in pay system is regarded as a catalyst for productivity improvement and work place reform. In Canada, Performance Related Pay elements have been introduced for most levels of management. In Germany, government has committed itself to its introduction. In France, the pay system does allow for some flexibility though limited. In Netherlands, New Zealand and Sweden, provisions to include performance related pay elements in civil service pay are already in place. UK and Singapore are implementing Performance Related Pay Schemes based on a system of performance tranches and linked to individual performance. “*Performance Tranches*” refers to the classification of employees into say three groups – the best performers, the average performers and the least effective performers.

### **Mauritian Experience**

8.5 In Mauritius, Performance Related Reward (PRR) is present mostly in private sector organisations and a few state owned companies. In the Public Sector, however, some form of reward linked to performance does exist, in the form of acting and responsibility allowances paid to officers performing at a higher level or allowances paid in connection with specific projects such as for the ZEP schools at the Ministry of Education and Scientific Research and the number of surgeries at the Cardiac Centre at the Ministry of Health and Quality of Life. There also exist instances where the rewards are not financially measurable, such as award of certificates and badges for meritorious services in the disciplined forces, namely the Police Department, the Prisons Department and the Fire Services.

- 8.6 The Ministry of Civil Service Affairs and Administrative Reforms has, in line with its reform initiatives, recently introduced a Staff Suggestion Scheme in the Civil Service, the objective being encouragement of creativity and innovation among employees so as to bring about, among others, quality improvements in organisations and in the services provided. The Staff Suggestion Scheme will be implemented both at Ministry/Departmental level and centrally at the Ministry of Civil Service Affairs and Administrative Reforms and there are proposals for non-cash award/recognition, as well as cash awards.
- 8.7 As Performance Related Reward or Bonus Schemes are becoming more and more popular, increasing interest has been expressed in respect of introducing Performance Related Reward Schemes on a large scale in the Public Sector.

#### **Survey on Performance Related Reward**

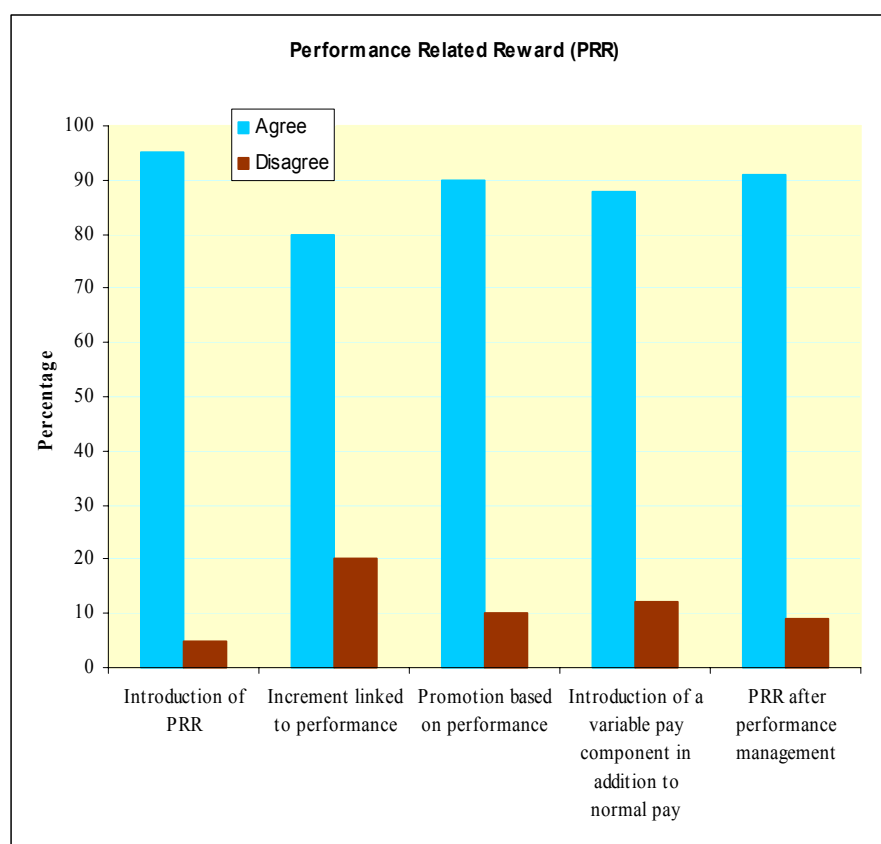
- 8.8 With the objective of seeking the views of Heads of Ministries/Departments, and Chief Executives of Parastatal Bodies and Local Authorities, the Bureau carried out a survey on the advisability of introducing Performance Related Reward Schemes in the Public Sector. Similarly, staff associations were also requested to submit their views on the issue.
- 8.9 Questionnaires were mailed to all Responsible Officers of Ministries/Departments and Chief Executives of Parastatal Bodies and Local Authorities and Federations of Staff Associations requesting for their views. Given the importance of this exercise, the Responsible Officers were requested to look into the matter personally. In the Civil Service, out of 82 Ministries/Departments, 46 have replied to the survey, the response rate being 56%. For the 69 Parastatal Bodies and Local Authorities, 42 organisations replied i.e. a response rate of 60%.
- 8.10 The questionnaire was a guided one and Responsible Officers had mostly to answer only by inserting ticks as appropriate for either **yes** or **no**. Suggestions and comments were also invited.



## Results of Survey

8.11 From a total of 88 organisations which have responded, the findings have been as follows:

- (i) Most organisations, almost 95% are favourable to the introduction of elements of performance pay in the Public Sector.
- (ii) As to whether the whole pay should be linked to performance, only 28% have answered in the affirmative while 70% are not agreeable.
- (iii) A high percentage, more than 80% of the organisations which have responded, consider that the annual increment should be linked to performance.



- (iv) Above 90% of the respondents consider that promotion should be based on performance.

- (v) **88% of respondents of the public sector organisations believe that there is need to introduce a variable pay component, in addition to the normal pay scale, which should be linked to performance and achievement of targets** and 73% believe that Performance Related Reward should be administered in the form of one-off payments either as a token for a good year's work or a reward for contribution to a project. Around 75% consider that it would be in the interest of the service/organisation to introduce other forms of rewards in lieu of pay.
- 8.12 As regards the appropriate time for the introduction of PRR Schemes, a very high percentage, **91% consider that the time is not appropriate and a proper Performance Management System should be introduced prior to the introduction of any Performance Related Reward Scheme.**
- 8.13 About 70% believe that the PRR Schemes should apply to all efficient officers performing with diligence and commitment while 28% think that the scheme should apply only to highly efficient individual officers who perform beyond target. While 45% think that the scheme should be applicable to officers/team of officers for highly viable research breakthrough successfully implemented or for truly extraordinary contribution well beyond the call of duty, a very low percentage, about 5% only believe that the scheme should apply to senior civil servants only.
- 8.14 In respect of the criteria to qualify for additional reward/pay, around 75% consider that it should be exceptional individual performance for commitment and achievement beyond targets; some 60% believe it should be team based performance for commitment and achievement beyond targets and about 45% think it should be based on the organisation's overall performance.
- 8.15 Only 23% consider that PRR schemes should be devolved completely on the Head of a Ministry/Department/Organisation who would work out and implement the scheme within centrally set parameters, while about 36% are not in favour of any devolution. More than 50% consider that the scheme should be evolved by

the organisation within set parameters but approved by a monitoring body prior to implementation.

8.16 Several organisations have also made valuable suggestions as to the aims and objectives of introducing PRR schemes, and problems associated with their implementation, monitoring and acceptability of the concept by all parties concerned. A few have even expressed strong fear of the possibility of favouritism and abuse creeping in. They have doubt as to the extent to which the system would be transparent and objective.

8.17 On the staff side, only the “Federation des Syndicats des Corps Constitués” has replied to the Survey Questionnaire. The other federations of staff associations did not respond in writing to the questionnaire but expressed their views at a meeting held to discuss the issue. Though staff associations are not against the notion of PRR schemes, they are sceptical as to the manner in which such schemes would be introduced. To them, there is a strong fear that the scheme may be used as a tool opening the door to favouritism and abuse, and believe that the time for its implementation is not appropriate. **Moreover, they also believe that the introduction of any such scheme should be preceded by proper Performance Management.** The unions are, however, agreeable to a system that would benefit all the staff of an organisation.

### **Conclusion**

8.18 From the survey and views expressed, it is observed that though the majority of the organisations which have responded, are in favour of the introduction of Performance Related Reward Schemes, there is a strong apprehension as regards, *inter alia*, the criteria to be used, the manner in which it should be introduced and the appropriate time for its introduction.

8.19 Rewards, financial or non-financial cannot be effective in a vacuum. **The introduction of proper Performance/Productivity Related Reward Schemes on a general scale necessitates complementary policies and practices which include proper performance management system, top management support,**

a meaningful and ongoing system of performance appraisal and a communication strategy ensuring that everyone knows how well the organisation is doing in relation to its goals and objectives. It is only when organisations have gathered sufficient experience in setting and measuring targets in a generally transparent, systematic and agreed manner that the linkage of reward to performance in an equitable and fair manner on a large scale can be contemplated. In that regard, we have made a series of recommendations in the previous chapter to further the performance agenda of the government.

**8.20** The foregoing, however, should in no way pre-empt incentives to induce desired employee behaviour and attitude for improved performance, to reward measurable attributes like availability and commitment, to recognise and reward performance outside normal hours of work, or output much above required level or to compensate high workload due to low establishment. However, given the novelty of the system and the specificity of the Mauritian fabric, there is need to proceed cautiously, in phases and in certain cases on a pilot basis. While a few of the recommendations may be implemented immediately, others need be deferred until the opportune time and we are recommending accordingly. We are equally making provisions for the appropriate procedures to be followed for PRR schemes in respect of organisations that may be ready for implementation. To that end, we are providing the mechanism to examine, approve, control and monitor implementation in areas ready to take-off.

### **Recommendations for Immediate Implementation**

#### **Recommendation 1**

**8.21** We recommend that:

- (i) Increments provided in scales attached to the various grades should only be awarded taking into consideration efficiency, diligence, commitment including availability and regularity at work. An

increment may be withheld in case of regular default under any of the abovementioned criteria.

- (ii) Performance and merit of an employee should be given due weight in promotion exercises.
- (iii) In areas of scarcity where few officers have to share additional workload within a tight time frame because of acute manning problem, payment of *ad hoc* allowances for a specified duration can be resorted to.

#### **Recommendation 2**

8.22 We also recommend that:

- (i) Payment of acting/responsibility allowance for shouldering higher responsibilities should continue as at present.
- (ii) *Ad hoc* allowances for specific assignments or projects may continue to be paid subject to the approval of the Ministry of Civil Service Affairs and Administrative Reforms.

#### **Recommendations for Phased/Deferred Implementation**

#### **Recommendation 3**

8.23 We recommend the setting up of a Standing Committee on Performance/Productivity Related Reward under the chairmanship of the Secretary for Public Service Affairs and comprising representatives of the Ministry of Finance and the Pay Research Bureau to examine and consider Performance Related Reward Schemes submitted by organisations and to submit proposals to the high level Performance Management Monitoring Committee mentioned at Chapter 7 for approval.

**8.24 We also recommend that a Public Sector Organisation may formulate proposals to the Ministry of Civil Service Affairs and Administrative Reforms for consideration by the Performance/Productivity Related Reward Committee only after:**

- (a) It has already introduced successfully a Performance Management System and a meaningful and ongoing system of appraisal as an integral part of the system.**
- (b) The Performance Management processes in place support the organisation's vision and values; employees and management are fully involved; Performance appraisal is being used positively with focus on behaviour rather than personality; and appraisers and appraisees have been properly trained.**
- (c) It has adopted an information strategy to ensure that everyone knows what is expected of them and how those expectations relate successfully to the organisation goals.**
- (d) The organisation has been adhering to the principle of fairness and transparency in the design and implementation of Performance Management.**

**8.25 In formulating/approving Performance/Productivity Related Reward Schemes the relevant parties should stand guided by the following:**

**General Principles**

- (a) The Productivity/Performance Related Reward Scheme should be transparent, equitable and fair to parties.**
- (b) Performance/Productivity Related Reward Schemes would in principle be approved only after Performance Management has been properly and effectively installed.**

- (c) Employees having similar competencies should be fairly and equitably treated in terms of opportunity for posting or constitution of eligible teams.

**Criteria for Rewards**

- (d) Rewards which should be commensurate with additional effort should normally be for truly extraordinary contribution well beyond the call of duty resulting in positive outcomes; for highly viable research breakthroughs; or for performance well beyond reasonable targets.

**Types of Reward**

- (e) Rewards may be both non-financial and financial. Non-financial rewards may take the form of recognition, letter of appreciation or certificate of commendation, souvenirs or medals. Financial rewards may take the form of an allowance for a given period of time, on a monthly basis or as a one time payment.
- (f) Monetary Rewards should not in principle exceed 6% of salary initially unless the work has required increased working hours.

8.26 A monetary reward granted under this provision shall not have any bearing on fringe benefits or conditions of service and shall not be deemed to have affected relativity in relation to other grades.

**Recommendation 4**

8.27 **We recommend that a budgetary provision be made under the vote of the Ministry of Civil Service Affairs and Administrative Reforms for the implementation of Performance/Productivity Related Reward Schemes in the Public Sector as from financial year 2004/2005.**

\*\*\*\*\*

## 9. Training and Staff Development

- 9.1 Training is a planned process to modify attitude, behaviour and skill through learning to achieve effective and improved performance in an activity or range of activities. It bridges the differences between job requirements and officers' present competence and behaviour. Its purpose, in the work situation, is to develop the abilities of the individual and to satisfy the current and future needs of the organisation.
- 9.2 The commitment of the government to the importance of training and development both as a means of career development and productivity improvement so as to enable the public service to meet current and future challenges in this rapidly changing global environment is amply demonstrated by the addresses made time and again on the subject. In his address in October 2002, the President of the Republic of Mauritius stated that *"an audit of the training needs of the public sector would be carried out and Government would ensure that public officers are given all facilities including training to perform their work in an environment conducive to enhance productivity"*.
- 9.3 The Minister of Civil Service Affairs and Administrative Reforms stated that he was *"convinced that training is instrumental for the development of public officers" and that there is no way any public service, especially those of developing countries, can meet current and future challenges posed by the complex and the rapidly changing global environment, unless special emphasis is laid on the implementation of training and career development programmes for the officers"*. On the other hand, the Secretary to Cabinet and Head of the Civil Service believed that *"it was high time to revisit the manner in which training policies and programmes are formulated by all Ministries and Departments"*.
- 9.4 The Ministry of Civil Service Affairs and Administrative Reforms is currently co-ordinating the implementation of training policies/programmes. Training opportunities are being provided to different target groups through in-service courses, formal training, seminars, workshops, conferences, both locally and abroad, in order to ensure that officers at different levels in the hierarchy, develop



and upgrade their skills so as to be more performance-oriented. Other Ministries/Departments organise training for officers in grades specific to their organisations. Such courses are mounted by the Ministries/Departments either on their own or in collaboration with appropriate institutions like the University of Mauritius or the University of Technology.

9.5 On the recommendation of the Task Force on Human Resource Management chaired by the Permanent Secretary of the Ministry of Training, Skills Development, Employment and Productivity, a Training Needs Analysis is being carried out in five organisations on a pilot basis by the Ministry of Civil Service Affairs and Administrative Reforms. Further, in the context of the adoption of a Performance Management Culture in the service, the identification of training and development needs would become part of a continuous process. The need for more tailor-made training suitable to individuals and teams in organisations to cater both for the development needs of individuals as well as the productivity needs of organisations would assume more and more importance in the days to come. The timely provision of quality training in line with properly assessed training needs and this at reasonable costs and at times convenient both for organisations and trainees is the crucial challenge that has to be addressed.

9.6 A strategic approach to public sector training would have to be adopted. Training needs would have to be identified. The roles and responsibilities of each stakeholder, i.e. the Ministries/Departments/Organisations, training institutions and resource persons should be clearly defined. Targets and time frame would have to be set to carry out every step in the application of the strategy.

#### **Recommendation 1**

#### **9.7 We recommend that:**

- (a) **a committee should be set up in each organisation under the chairmanship of the respective Responsible Officer and comprising the heads of the relevant sections to identify the broad training needs of the organisation by a determined date. The training needs should be regularly updated by the specific training and**

- development needs of individuals identified during the normal course of work or following a Performance Review exercise;
- (b) organisations should examine and prioritise the training needs identified, liaise with concerned organisations/resource persons and draw up a training plan for implementation, considering available resources and the interest of the organisation and the service;
  - (c) training needs identified, that cannot be dealt with at the level of the organisation, should be forwarded to the Ministry of Civil Service Affairs and Administrative Reforms indicating among others the type of training required, the grade and number of officers concerned;
  - (d) organisations should ensure that every new recruit undergo an induction course covering, *inter alia*, the mission and values of the organisation, the services it provides, the expectations from the recruit in terms of contribution, commitment and behaviour, the work procedures as well as the objectives of the various Ministries/Departments/Organisations, with which job incumbents would be required to interact;
  - (e) organisations should ensure that sufficient provision is allocated to the Training and Staff Development Vote and that training is dispensed to every officer of the organisation for at least 40 hours annually;
  - (f) organisations should mount appropriate training courses for the benefit of appraisers and appraisees in the context of the introduction of Performance Management in the Civil Service; and
  - (g) organisations should create the necessary environment to ease the obtention of additional qualifications required to cross Qualification Bar (QB) or for appointment or promotion.

## Recommendation 2

- 9.8 We further recommend that the Ministry of Civil Service Affairs and Administrative Reforms should (a) as a proactive facilitator coordinate with organisations and regularly assess public sector training needs; (b) make arrangement with relevant institutions like the University of Mauritius, University of Technology, Industrial and Vocational Training Board or relevant resource persons to facilitate the mounting and the dispensing of appropriate training courses; (c) ensure that adequate review mechanisms

for gauging the effectiveness and relevance of training programmes are developed and a system for receiving proper feedback on the effectiveness of a course from participants both after the course and subsequently at work is adopted; and (d) identify any lacuna in the training programme and institute immediate remedial action.

**Other Recommendations**

**9.9** In the design of training programme it should be ensured that professional staff is provided with training in management while administrative and supporting staff are provided training on technical topics as well.

**9.10** It should be compulsory for officers sponsored by an organisation to follow training courses abroad to impart the skills acquired to officers of the organisation.

**9.11** An officer, who fails to attend up to completion/complete a course or training for which he has been nominated, should refund the full cost of the expenses incurred by the Government within a period of three months from the date of abandonment of the course or training.

\*\*\*\*\*

## 10. Recruitment and Retention Problems in the Public Sector and Employment on Contract

- 10.1 The need to maintain an efficient public service is a *sine qua non* condition for any government. A critical success factor is the need and ability to recruit, retain and motivate staff of the right type and standard. This is central to effective service delivery. It is, therefore, important that over time we are able to recruit and keep the quality of staff we need to deliver high quality public services. Though recommendations have been made to tackle recruitment and/or retention problems at all levels in the Public Sector in previous reviews, scarcity of staff of the right profile and calibre has remained an ever-recurring issue. There is no evidence of an across the board problem of recruitment and retention, but it is clear that some organisations still face specific skill shortages as the job market is particularly tight in some areas.
- 10.2 In our 1998 PRB Report, we had examined in-depth the issue of scarcity of certain categories of professional and other sub-professional staff and elaborated on the difficulty experienced by public sector organisations to recruit and retain the required number of officers having certain skills. This was attributed to several factors ranging from the unavailability of suitably qualified persons on the local labour market to the inadequacy of the pay package and other conditions of service compared to those obtaining for similar occupations elsewhere.
- 10.3 To improve the situation, we had recommended a series of corrective measures. Ministries/Departments/Organisations concerned by the problem of scarcity were, *inter alia*, called upon to re-advertise vacancies in the grades reported upon as scarce on the basis of the new remuneration package inclusive of fringe benefits and to submit all persistent cases of scarcity to the Ministry of Civil Service Affairs and Administrative Reforms which would examine each case on its own merits before submission to the High Powered Committee. In the process, the Ministry of Civil Service Affairs and Administrative Reforms was invited to examine those cases also in the light of new options spelt out at paragraphs 7.27 and 7.28 of the 1998 PRB Report on other patterns of work and types of appointment.

### Survey on Recruitment and/or Retention Problems in the Public Sector

- 10.4 In the context of this review, the Bureau has carried out a fresh survey in June 2002 to assess the extent to which the measures enunciated in 1998 have been effective in alleviating the problem of scarcity and to take stock of the actual situation to enable the formulation of appropriate recommendations. A questionnaire was, therefore, sent to all Heads of Ministries/Departments, Parastatal and other Statutory Bodies and Local Authorities inviting them to furnish information regarding grades in respect of which they have still been experiencing difficulties to recruit and

retain officers. The information sought covered the last four financial years namely 1998-1999, 1999-2000, 2000-2001 and 2001-2002.

**Findings and Observations**

10.5 We elaborate hereunder on the major findings revealed by the survey. We deal in the first instance with the Civil Service where the phenomenon of scarcity may be more complex on account of the variety of grades involved and the areas covered; and thereafter with the Parastatal and other Statutory Bodies and Local Authorities. To screen the mass of information collected in respect of grades reported upon as scarce, we have, as a matter of policy, considered only entry grades requiring professional or technical qualifications and having registered a vacancy rate of around 20% and above. However, in the process, we have also reported on quite a few cases not falling within this framework but which, for obvious reasons, require our attention. The major findings revealed by the survey are given in the tables below. The tables give, *inter alia*, the establishment size of each grade reported upon and the vacancy rate as at 30 June 2002 as well as the average turnover rate for period July 1998 to June 2002. *Vacancy rate refers to the number of vacant posts as a percentage of established posts and turnover rate relates to the number of leavers during a set period as a percentage of the number of officers in post.*

**10.6 Table I – Vacancy and Turnover in Degree/Professional Grades in the Civil Service**

Ministry/Department	Grade	Establishment Size as at June 02	Vacancy Rate (%) as at June 02	Average Turnover Rate (%) for Period July 98 to June 02
Ministry of Public Infrastructure, Land Transport and Shipping	Landscape Architect	1	100	0
	Quantity Surveyor	4	25	39.6
Ministry of Health and Quality of Life	Specialist/Senior Specialist	199	20	9.6
	Medical and Health/Senior Medical and Health Officer	417	38.6	6.2
	Dental Surgeon/Senior Dental Surgeon	42	11.9	3.4
	Physiotherapist	15	33.3	3.1
	Bio-Medical Engineer	2	100	0
Ministry of Housing and	Occupational Therapist	9	44.4	0
	Surveyor/Senior	36	19.4	7.4

---

---

Lands	Surveyor			
	Town and Country Planning Officer	10	40	4.2
Ministry of Public Utilities	Planner/Senior Planner	2	50	25

**Ministry of Public Infrastructure, Land Transport and Shipping**

*Landscape Architect*

10.7 The grade of Landscape Architect, created in financial year 2000-2001, was first advertised in November 2000 and there was no qualified candidate. The Public Service Commission has been requested to readvertise the post.

*Quantity Surveyor*

- 10.8 With regard to the four posts of Quantity Surveyor on the establishment of the Ministry, which have all remained vacant for more than a decade, a marked improvement has been noted since 1998. The vacancy rate has stagnated at 50% during period 1998 to June 2001. During financial year 2001- 2002 a third Quantity Surveyor was recruited but one left for the Private Sector. It has not been possible to fill all the vacancies advertised as there were no sufficient qualified candidates responding to the advertisements. To remedy the situation in the short-run, the Ministry has initiated action to recruit advisers in the field of Quantity Surveying from India.

**Ministry of Health and Quality of Life**

- 10.9 The Ministry of Health and Quality of Life has been encountering difficulties in recruiting suitable candidates for the grades of Specialist/Senior Specialist (Radiology, Physical Medicine, Orthopaedic, Nephrology, General Medicine, Cardiology and Anaesthesia), Medical and Health Officer/Senior Medical and Health Officer, Dental Surgeon/Senior Dental Surgeon, Occupational Therapist, Physiotherapist and Bio-Medical Engineer.

*Specialist/Senior Specialist*

- 10.10 Besides the 40 posts of Specialist/Senior Specialist on the establishment of the Ministry of Health and Quality of Life which are vacant, 14 additional posts in the fields of General Medicine, Cardiology and Radiology have been created in the 2002/2003 Estimates.
- 10.11 To palliate the shortage, the Ministry is having recourse to contract employment and employment on session. Specialist doctors are being recruited on contract both locally and from India. Retired specialists are also being re-employed on contract up to the age of 65 and on session up to the age of 70. Postgraduate courses in the field of Anaesthesia, General Medicine, Orthopaedics and Paediatrics are being mounted locally with the assistance of the University of Victor Segalen of Bordeaux II, France. The course, which will be dispensed to Medical and Health Officers/Senior Medical and Health Officers, will be conducted partly in Mauritius and partly in France.
- 10.12 As a joining-in inducement, the privilege of private practice is also granted to doctors with specialist qualifications reckoning three years' experience in the service subject to the approval of the Minister.

*Medical and Health Officer/Senior Medical and Health Officer*

- 10.13 Recruitment problem was foreseen since 1998. Out of the 417 posts of Medical and Health Officer/Senior Medical and Health Officer on the establishment of the Ministry, only 256 are at present filled in a substantive capacity. The Ministry is having recourse to the following measures to palliate the shortage: employment on contract of locals and expatriates, session/bank doctors,

and employment of doctors on a month-to-month basis under delegated powers of the Public Service Commission. Contract employment also allows the Ministry to employ, up to the age of 65, experienced doctors who have retired from the service. These doctors may further work up to the age of 70 under the bank doctor scheme against payment of session fees. Almost all doctors retiring from the service are being re-employed on contract.

*Dental Surgeon/Senior Dental Surgeon*

- 10.14 The Ministry is facing difficulties to fill the five vacancies in the grade of Dental Surgeon/Senior Dental Surgeon though the vacancy rate for the grade is less than 20%. To remedy the situation, procedures have been initiated to employ Dental Surgeons on contract. Possibilities of employing local Dental Surgeons on sessional basis and employment of foreign Dental Surgeons are also being examined. The Ministry has noted that candidates are available on the local market but are not interested to join the service due to the low pay packet.
- 10.15 The Ministry of Education and Scientific Research has approved the setting up of a Private Dental College, which will start its operation shortly. It is, therefore, expected to obtain locally trained Dental Surgeons by the year 2007. Total seats will amount to approximately 40 and it is understood that 20% of the seats available will be reserved for Mauritian candidates.

*Physiotherapist*

- 10.16 The five vacant posts of Physiotherapist cannot be filled due to lack of candidates. There was no candidate who applied for the post during the last exercise for the filling of vacancies carried out in April 2002. Employment on contract and on sessional basis of locals and expatriates is being examined. The need to fill all the posts of Physiotherapist is urgent as the services of this category of professionals are required in view of the increasing number of physical disabilities occurring through road accidents, cardiac diseases, amputation etc. It has been argued that Physiotherapists available on the local market are not willing to join the Ministry as the service is more lucrative in private practice.

*Bio-Medical Engineer*

- 10.17 This is a chronic scarcity area as the two posts on the establishment of the Ministry have remained vacant for several years due to lack of local candidates. Two Indian nationals were employed on contract as adviser in Bio-Medical Engineering but on the expiry of their contracts, they did not want to renew same. A new grade of Trainee Bio-Medical Engineer has been created in 2002-2003 Estimates. The scheme of service is being prescribed and three candidates will be recruited for sponsored training abroad in the field of Bio-Medical Engineering. The candidates will be bonded. According to the Ministry, in the Private Sector, Bio-Medical Engineers are very



well remunerated. With the prevailing salary scale in the Public Sector, it is becoming more and more difficult to recruit and retain Bio-Medical Engineers, hence the creation of the trainee grade.

*Occupational Therapist*

10.18 Four posts of Occupational Therapist out of an establishment of nine cannot be filled due to lack of candidates. The upper age limit has been raised to 45 years for one intake only as the Ministry was given to understand that a few qualified candidates were available on the local labour market but were over 35 years old. The outcome of the selection exercise is awaited. Possibilities of training of interested candidates are being examined by the Ministry. The University of Mauritius is being approached for the mounting of an appropriate course in Occupational Therapy.

**Ministry of Housing and Lands**

*Surveyor/Senior Surveyor*

10.19 There are seven vacancies in the grade of Surveyor/Senior Surveyor and out of the 29 officers in post, three are on leave without pay to take up employment elsewhere. To address the problem of recruitment, the Ministry normally recruits and sponsors Trainee Surveyors for four years full-time training with a view to filling the vacancies in the grade of Surveyor/Senior Surveyor. There are frequent requests for leave without pay from Surveyors in post to take up employment in the Private Sector.

*Town and Country Planning Officer*

10.20 Recruitment in the grade of Town and Country Planning Officer has gradually been improving, bringing the vacancy rate to 40% from a peak figure of 80% in 1998-1999. However, of the six officers who were in post, one left the service in 2001-2002 for emigration. In March 2002 the Public Service Commission has notified the Ministry that no candidate holds a degree in Town and Country Planning. In fact such candidates are generally not available on the employment market in Mauritius. For this reason, a scheme has been introduced whereby Cadet Planners with a degree in Architecture or Civil Engineering or Geography or Economics or Sociology are recruited and are sponsored for professional training in Town and Country Planning. The training comprises a full time course at the postgraduate level for a duration of 2½ to 3 years and one year post qualification experience. Moreover, as the University of Mauritius is now running the B.Sc. Town and Country Planning course on a part-time basis, it is expected that the situation would considerably improve after year 2004.

**Ministry of Public Utilities**

*Planner/Senior Planner*

10.21 There has been a recurring vacancy rate of 50% in the grade of Planner/Senior Planner during the last three financial years. To facilitate recruitment, the scheme of service has been amended in December 2000 so as to widen the field of selection for this post. Consequently, the post registration experience of four years has been replaced by experience in the field of engineering relevant to the water and energy sector. However, the post was advertised in May 2001, but no candidate was found suitable to fill the vacancy. In July 2002, a recommendation was made to the Public Service Commission to re-advertise the post to the public as it was expected that qualified candidates would then be available on the local market.

**Ministry of Education and Scientific Research**

*Education Officer*

10.22 Overall, the grade of Education Officer does not suffer from any major problem of recruitment or retention. As shown in Table I, there are 1756 posts on the establishment of the Ministry out of which 1737 are filled. However, there are certain areas, which are scarce. Subject wise, these are Integrated Science, Home Economics, Oriental Music, Western Music, Sociology, Computer Technology, Arabic, Tamil, Telugu, Marathi and Islamic Studies.

10.23 To alleviate this problem, the Ministry is having recourse to Supply Teachers who are paid fees on an hourly basis and are required to teach up to 12 hours a week. It is also proposed to amend the scheme of service for the post of Education Officer to give consideration, in scarcity areas, to degree holders although they may not possess the full Cambridge School Certificate and the Cambridge Higher School Certificate.

**10.24 Table II – Vacancy and Turnover in other Categories of Grades in the Civil Service**

Ministry/Department	Grade	Establishment Size as at June 02	Vacancy Rate (%) as at June 02	Average Turnover Rate (%) for Period July 98 to June 02
Ministry of Health and Quality of Life	Nursing Officer	2189	6.2	4.3
	Nursing Officer (Psychiatric)	67	77.6	47.1
Mauritius Prisons Service	Hospital Officer	17	5.9	6.3
	Prisons Officer Grade II	539	5.4	3.7
Companies Division	Companies Officer	18	77.8	44.1

### Ministry of Health and Quality of Life

10.25 The Ministry of Health and Quality of Life has also reported recruitment and/or retention problems in respect of the grades of Nursing Officer and Nursing Officer (Psychiatric). In several instances, the problem in these grades is mainly one of high turnover.

#### *Nursing Officer*

10.26 The survey results above do not give a good indication of the problem in relation to the nursing grade. In addition to 67 Nursing Officers who left the grade during the year 2001-2002, 74 Nursing Officers are presently on vacation/prolonged leave overseas and 25 Nursing Officers have not resumed duty on expiry of their leave abroad. There is the probability that most of them will not come back. The Nursing Council has received from year 2000 to date more than 400 applications from Nursing Staff who wish to go for an adaptation course in U.K. If the trend is maintained, this will affect considerably the nursing care delivery in the public health institutions. Furthermore, in view of existing opportunities for young persons in other sectors, there is an average drop-out of 15% on every intake of Student Nurses. To remedy the situation, the following measures have, *inter alia*, been taken:

- ☛ The scheme of service of Student Nurse has been amended with a view to widening the scope of potential candidates with provision for serving Health Care Assistants (General) to join as Student Nurses.

- ☛ As a temporary measure, 48 retired nurses have been employed to give assistance at Nursing Officer level on a purely temporary month-to-month basis.
- ☛ 17 retired nurses are presently serving under the external bank scheme on sessional basis.
- ☛ The Ministry is presently having recourse to an internal bank scheme whereby approximately 1660 Nursing Officers and Charge Nurses are called upon to work on a sessional basis upon payment of an allowance, when they are off duty.

10.27 The Ministry is also having recourse to overtime work to cater for the shortage of qualified nurses, and to compensate the man days loss in respect of 180 nurses who are following the B.Sc. Nursing course.

*Nursing Officer (Psychiatric)*

10.28 In financial year 2001-2002, there were only 15 officers in post out of an establishment size of 67 and during the same year two officers left the grade, one retired and the other resigned. Five candidates have been offered employment on a temporary basis as Nursing Officer (Psychiatric) to work on a sessional basis. It is also proposed to initiate action to employ Nursing Officers (Psychiatric) on a month-to-month basis. In the past, the Ministry used to recruit Psychiatric Nurses from UK but at present, no Psychiatric Nurses are coming back to work in Mauritius. The Ministry envisages to mount a local course in "Mental Health Nursing".

---

---

**Ministry of Education and Scientific Research**

*Trainee Teacher (Oriental Languages)*

10.29 The Ministry is encountering some difficulties to fill vacancies in respect of certain oriental languages namely Mandarin and Telegu. To address this issue, the Ministry has recourse to the employment of persons outside the service to serve as Supply Teacher in Primary Schools on a temporary basis. They are paid on an hourly basis.

**Mauritius Prisons Service**

*Hospital Officer*

10.30 At the Mauritius Prisons Service, the problem in the grade of Hospital Officer is more one of retention. In fact, in financial year 2001-2002, 16 out of 17 posts were filled but three officers left the grade including two who reverted to their post of Nursing Officer. The vacancies have been readvertised and the advertisement has been modified to include risk allowance and rent allowance payable to prisons staff. A bank of hospital staff scheme has also been set up with the approval of the Ministry of Civil Service Affairs and Administrative Reforms.

*Trainee Prisons Officer Grade II*

10.31 The grade of Prisons Officer Grade II (appointment made from Trainees) also suffers from a chronic problem of retention. In financial year 2001-2002 alone, out of 87 Trainee Prisons Officers Grade II recruited, 32 did not turn up and four others resigned. In a previous recruitment exercise, for an intake of 42 Trainees, 11 declined the offer and eight joined other departments.

**Companies Division**

*Trainee Companies Officer*

10.32 At the Companies Division of the Ministry of Economic Development, Financial Services and Corporate Affairs, only 4 out of the 18 posts of Companies Officer (appointment made from Trainee Companies Officer) were, at June 2002, filled.

10.33 To address the problem, the training period has been reduced, the conditions of bonding have been waived and for one intake, priority of consideration has been given to serving Clerical Officers/Higher Clerical Officers who have been performing the duties of the grade.

**Rodrigues Regional Assembly**

10.34 The Rodrigues Administration has reported recruitment problems in respect of the following grades: Citizen's Advice Bureau Organiser, Road Transport Inspector, Trainee Engineer (Civil), Mechanical Engineer, Technical Officer (Mechanical), Hospital Administrator, Hospital Administrative Assistant and Sports Coach (with specialisation in Judo). To remedy the situation, various *ad hoc* measures have been taken - schemes of service of certain grades have been amended, vacancies re-advertised, Mauritian officers posted on tour of service, trainee grades created and Rodriguan candidates sponsored to follow appropriate courses.

**10.35 Table III – Vacancy and Turnover in Professional Grades in the Parastatal and other Statutory Bodies and Local Authorities**

Organisation	Grade	Establishment Size as at June 02	Vacancy Rate (%) as at June 02	Average Turnover Rate (%) for Period July 98 to June 02
National Computer Board	Manager, Business Development and Promotion Division	1	100	0
	Research Officer/Business Analyst/IT Consultant	19	63.2	7.1
Mauritius Research Council	Research Coordinator	4	75	0
Organisation	Grade	Establishment Size as at June 02	Vacancy Rate (%) as at June 02	Average Turnover Rate (%) for Period July 98 to June 02
Municipality of Port Louis	Planning Officer	1	100	0
Municipality of Vacoas-Phoenix	Planning Officer	1	100	0
Municipality of Quatre	Planning Officer	1	100	0

---

---

Bornes				
--------	--	--	--	--

**National Computer Board**

*Manager, Business Development and Promotion Division*

*Research Officer/Business Analyst/IT Consultant*

10.36 At the National Computer Board, the post of Manager, Business Development and Promotion Division was advertised in February 2002, 35 applications were received, but there was no suitable candidate. With regard to the grade of Research Officer/Business Analyst/IT Consultant, of the seven officers in post at the start of financial year 2001-2002, two have proceeded on leave without pay.

**Mauritius Research Council**

*Research Coordinator*

10.37 Only one of the four posts in the grade of Research Coordinator which requires incumbents to possess a PhD degree and at least five years' work experience in a senior position has been filled in spite of repeated attempts; and that also by a mauritian based in UK on a contractual basis.

**Mauritius College of the Air**

*Assistant Lecturer/Lecturer*

10.38 The MCA is experiencing difficulties to recruit a Lecturer in Information Technology and is exploring the possibility of recruiting an IT professional under the agreement between the University Grants Commission of India and the Tertiary Education Commission.

## Municipalities

### Planning Officer

10.39 In spite of repeated attempts, the Municipalities of Port Louis, Vacoas-Phoenix and Quatre Bornes have all not been able to fill the post of Planning Officer since 1998. At the Municipality of Port Louis, the employment of a Planner on a contractual basis has been resorted to and at the Municipality of Vacoas-Phoenix, the duties of the post are being performed by other professional and technical staff.

## Conclusions and Recommendations

10.40 The main reason put forward by management in the majority of cases to explain the present state of affairs in matters of recruitment and retention is the unavailability of suitably qualified candidates on the local labour market or the non-response to public advertisement attributed to the unattractive pay package. As a short-term solution to tackle the problem of scarcity, many organisations have resorted to the employment of locals or expatriates through consultancy or on a contractual basis. In other instances, management have had recourse to a series of *ad hoc* measures such as recruitment of retired officers to serve on a sessional basis, waiving of age limit, redrafting schemes of service to facilitate recruitment, and setting up of training schemes whereby cadets/trainees are recruited and sponsored to pursue further professional studies abroad.

10.41 Overall, the measures resorted to so far by public sector organisations to tackle recruitment and/or retention problems can be broadly classified under the following four categories:

### ☛ **Employment Practices**

Employment on contract or consultancy basis of locals and expatriates.

Employment on sessional basis.

Employment on a month-to-month basis under delegated powers of the Public Service Commission.

Setting up of Internal and External Bank Schemes of officers for employment on sessional basis.

### ☛ **Training Schemes**

Mounting of appropriate courses locally.

Setting up of training schemes for recruitment of cadets/trainees for local or overseas training.

### ☛ **Organisational Remedies**

Assignment of duties to existing staff.



Restructuring existing schemes of service to widen scope of recruitment e.g. consideration also to candidates who lack part of the basic pre-professional qualification.

Insertion of first intake provision to give priority of consideration to officers who have been performing the duties of the grade.

Reduction in the duration of training period for trainee grades.

Waiving of age limit.

Assignment of duties to less qualified persons.

☛ **Reward Strategies**

Grant of privilege of private practice as a joining-in inducement, subject to certain conditions and ministerial approval.

Improvement of career structures to enhance the scope of promotion.

Negotiable point of entry in salary scales.

Grant of allowances for performance of additional duties.

10.42 Against such a background, we may conclude that the measures enunciated in the 1998 PRB Report to alleviate the problem of scarcity in the Public Sector have, on the whole, been effective. Matters have not been left unattended. In almost all scarcity areas, particularly where the problem was acute, prompt and repeated recruitment attempts have been made by the appropriate authorities. And in certain fields traditionally reputed for being scarce, the situation has now been wholly or partly addressed. Vacancies have over the years been gradually filled to reach the required or optimum manning levels. However, in spite of all recruitment efforts made, a few public sector organisations are still being faced with the phenomenon of scarcity in certain professional fields.

10.43 To improve the situation in scarcity areas, we are recommending in this Report, appropriate reward strategies both in terms of career structure and earnings for those positions requiring skills in short supply, more particularly where the post holders need to possess a technical qualification or a specialist qualification. In certain cases, additional recommendations have been made in the relevant literature under the appropriate sections dealing with the Civil Service, Parastatal and other Statutory Bodies and Local Authorities. We are of the view that the revised packages recommended should go a long way towards solving the problems of recruitment and retention in most areas. However, sustained effort in the fight against scarcity should be maintained and management of public sector organisations should continue to stand guided by the ensuing recommendations, which have proved to be effective tools to tackle problems of recruitment.

**Recommendation 1**

10.44 We therefore recommend that:

- (i) Ministries/Departments/Organisations concerned by the problem of scarcity should, in the first instance, readvertise vacancies in the grades reported upon as scarce on the basis of the new remuneration package inclusive of fringe benefits; and
- (ii) the notification of vacancies be redrafted to include, wherever appropriate, the various fringe benefits accruing to grades concerned namely duty-free car, travel grant, allowances and passage benefits.

10.45 In addition to the foregoing recommendations, there is need, should the situation of scarcity persist, to look specifically at certain skills which require special attention in the short and medium terms and take remedial action.

### **Recommendation 2**

10.46 We recommend that Ministries/Departments/Organisations should examine persistent cases of recruitment and retention problems in the light of the measures resorted to under paragraph 10.41 and the options spelt out at paragraph 10.67 on alternative modes of employment and submit their proposed course of action to the Ministry of Civil Service Affairs and Administrative Reforms for consideration and approval.

### **Recommendation 3**

10.47 We recommend that, as a temporary measure to tackle the problem of recruitment in highly critical areas, Ministries/Departments/Organisations may, where other measures are not considered effective, propose a non-pensionable allowance or recruitment on a point of entry higher than the initial provided for in the recommended salary scale subject to the approval of the Ministry of Civil Service Affairs and Administrative Reforms.

10.48 We further recommend that the Ministry of Civil Service Affairs and Administrative Reforms may, subject to the concurrence of the High Powered Committee, approve such non-pensionable allowance or such higher salary point for new entrants and adjustments in salary as may be required for officers in post.

10.49 It is also critical for employers to find out the reasons why people leave the Public Sector. The organisation needs to know how it can support the individual and where the job needs to be changed. An exit interview or exit questionnaire is a management tool that can be used to gauge the effectiveness of employment practices.

**Recommendation 4**

- 10.50** We, therefore, recommend that the Ministry of Civil Service Affairs and Administrative Reforms should initiate action to develop proper management information system to gauge the effectiveness of our Human Resource (HR) practices in the service, monitor staff turnover and formulate corrective actions.

**Supplementary Findings and Recommendations***Retention Problem in Trainee Grades*

- 10.51 As indicated earlier in this Chapter, the survey on recruitment and/or retention problems in the Public Sector has again revealed that for many grades reported upon as scarce by Ministries/Departments/Organisations (particularly for those requiring the Cambridge School Certificate), the problem in many instances is one of high turnover. This is mainly attributed to the policy of recruiting the best qualified candidates, thus causing an artificial scarcity in these areas. On account of the current labour market conditions, these posts normally attract a large number of overqualified candidates ranging from Cambridge Higher School Certificate holders to those possessing post graduate qualifications.
- 10.52 The overqualified staff normally leave after only a few months or well before the completion of their training. This is a real problem facing management today as unexpected resignation of officers within short notice, or at times without any notice, results very often in disruption of activities. Furthermore, training is an expensive operation and it represents a very sizeable investment in the apprentice years during which the person learns rather than contributes.
- 10.53 To address the issue of retention problem in trainee grades, we recommended in the 1998 PRB Report that all trainees recruited should invariably be bonded by an amount equivalent to the full cost of the training expenses incurred on them. In case of abandonment of training or vacation of office after traineeship within a period of (i) three years if the course duration is 12 months or less **or** (ii) five years if the course duration is more than 12 months but up to 36 months **or** (iii) seven years if the course duration exceeds 36 months from the date of enlistment as trainee, the officer should refund the bond *in toto*.

*Enforcement of Bonds*

- 10.54 However, it has been reported that practical and administrative difficulties have been encountered in the enforcement of the provisions of bonds. All cases where a public officer fails to observe any of the conditions of a bond entered into with the Government were reported to the Ministry of Finance by the Ministry/Department concerned for a decision regarding the enforcement of the bond or otherwise. Prior to the publication of the 1998 PRB Report, the Ministry of Finance used

to be guided by the provisions of its Circular No. 24 of 1978, which laid down the criteria for the enforcement of bonds subscribed by officers who have received training at public expense.

10.55 The criteria were as follows:

- (i) Officers who seek employment in the Private Sector before completing their bonded period are required to honour fully the obligations of their bonds.
- (ii) Officers who obtain employment in either another government department or any organisation in the Public Sector are required to continue and complete their bonded period in their new employment.
- (iii) Officers who have received professional or technical training should not seek employment in a capacity other than that for which they have been trained, before the completion of their bonded period.

10.56 Subsequently, following Government decisions, Trainee Teachers and Student Nurses were released from the obligations of their bond in case they were selected by the Public Service Commission for appointment in another capacity in the Public Service.

10.57 Each case was considered on its own merit, and refund of bonds could either be waived, enforced *in toto* or on a pro-rata basis. With the application of the 1998 PRB Report, the matter could no longer be considered on a case to case basis as the report provided that in the event of breach of bond the officers should refund the full amount of the bond. The PRB's recommendations had been made to address the problem of high turnover in grades requiring formal training. The High Powered Committee considered that there was some merit in introducing some flexibility in the enforcement of bonds and decided that the provisions of the Ministry of Finance Circular No. 24 of 1978 should continue to apply, pending the PRB having a fresh look at the whole issue in consultation with the Ministry of Finance.

10.58 The Bureau considers that there is need to enforce conditions of the bond so that training at public expense is not wasted while ensuring a degree of flexibility. We have, therefore, in the context of this review, re-examined the existing policy with a view to removing rigidities in the system.

#### **Recommendation 5**

**10.59 We recommend that all trainees recruited should invariably be bonded by an amount equivalent to the full cost of the training expenses incurred on them, and should serve for a minimum period of (i) three years if the course duration is 12 months or less or (ii) five years if the course duration is more than 12 months but up to 36 months or (iii) seven years if the course duration exceeds 36 months. The minimum period should start as from the**

date of substantive appointment in the relevant grade. On satisfactory completion of the bonded period, every bonded officer in scarcity/critical area may be granted one additional increment, subject to the approval of the Ministry of Civil Service Affairs and Administrative Reforms.

**Recommendation 6**

**10.60** We recommend that, should a Ministry/Department wish to require an officer to serve that particular Ministry/Department at least during the bonded period, the bond must be so worded as to impose such an obligation upon the officer.

**Recommendation 7**

**10.61** We recommend that, in case of abandonment of training or vacation of office before the completion of the bonded period, bonds subscribed in such cases should be enforced in accordance with the following:

- (i) Officers who leave the service to take up employment in the Private Sector before completing their bonded period should be made to honour fully the obligations of their bonds.
- (ii) Officers who obtain employment in either another Ministry/Department or any organisation in the Public Sector should continue and complete their bonded period in their new employment, subject to the provisions of Recommendation 6 above.
- (iii) Officers who have received professional or technical training should be discouraged to apply for grades in the service in a capacity other than that for which they have been trained, before the completion of their bonded period.

**Recommendation 8**

**10.62** We also recommend that, in the process of enforcing bonds, the Ministry of Finance may, in the interest of the Public Service, consider each case on its own merit and refund of bonds can either be waived or enforced in toto or on a pro rata basis.

**Employment on Contract**

**10.63** It has been conventional to think of employment as full-time, but gradually a range of alternative forms is emerging, the most popular one being contract employment. Today, this type of appointment is being increasingly used in the Public Sector to overcome the problem of shortage of skilled personnel in certain areas. This arrangement allows certain efficient officers who are willing to work and whose experience and expertise are still required, to serve the organisation for a few more years beyond their compulsory retiring age. Contract employment has also proved

valuable in cases where high calibre professional Mauritians were not willing to embark on pensionable employment in the Public Sector on the present terms and conditions of service.

The terms and conditions of employment of contract officers are governed by the following guidelines:

- (i) The approval of the Prime Minister should be obtained for contract employment for cases/areas recommended by Heads of Ministries/Departments.
- (ii) The salary of contract officers should be determined on the basis of negotiations having regard to the officer's qualification and experience. As regards the other conditions of service, except for leave, they should, in principle, be in line with what obtains in the service. The officer would also be eligible for an end-of-contract gratuity in lieu of pension at the standard rate of 25% of salary drawn.
- (iii) In respect of leave, a different scheme should apply to contract officers. These officers would be eligible for sick leave at the rate of 21 working days for every year of contract. Sick leave not taken in a particular year would not be convertible into cash. As regards casual/annual leave and vacation leave, contract officers would be eligible for a combination of such leave at the rate of 21 working days for every year of contract, which they may take on and off to cater for brief absences. Such leave not taken may be cashed at the end of each year of contract or may be accumulated.

#### **Recommendation 9**

**10.64** We recommend that the present provisions regarding authority, criteria and procedure for contract employment as well as leave entitlement, as spelt out at paragraph 10.63 above, be maintained. We further recommend that the negotiable salary and the conditions of service should, as at present, be approved by the Ministry of Civil Service Affairs and Administrative Reforms. As regards the other conditions of service, they should, in principle and wherever applicable, be in line with those in the civil service except for passage benefits and duty-free facilities. The provisions for passage benefits are given below while those relating to duty free facilities and travelling allowances are at Chapter 15 on "Travelling and Car Benefits".

#### **Recommendation 10**

**10.65** We recommend that advisers/officers on contractual employment should not be allowed to earn passage benefit during the 21 days casual/annual and vacation leave whether taken or cashed. This condition should be clearly spelt out in the terms of contract.

---

**Alternative Modes of Employment**

- 10.66 In the 1998 PRB Report, we elaborated on the opportunities of having recourse to alternative modes of employment to overcome the problem of shortage of experts or skilled personnel in specific areas, to facilitate a judicious choice of the type of contract that could be entered into in areas of scarcity, and to cope with variation in workload.
- 10.67 On the basis of foreign experience tapped, it was observed that in many countries resort to contract employment is very popular and this arrangement enables management to tap the pool of high quality people who could not or do not wish to make a career in the Public Service. Learning from international experience has also shown that increasingly, civil servants are being employed on other patterns of work and types of appointment, which include the following: **Fixed-term Appointments, Casual Appointments, Recurring Temporary Appointments, Employing People to Work at Short Notice, Standby Appointments, Part-time Employment, and Specified Period (term) Employment.** We, hereunder, elaborate on the various modes of contract.

***Fixed-term Appointments***

*Fixed-term appointments (FTAs) are appointments which are made for a specified period of time. Such arrangements are presently being used in the Civil Service only where there is a genuine management need to make an appointment of limited duration, rather than a permanent appointment. For example, the task may be of limited duration or there is a short-term need to employ staff for a particular period.*

***Casual Appointments***

*Casual appointments are temporary appointments to meet short-term needs. Departments may use casuals only where there is a genuine management need to employ people for a short period, rather than make a permanent appointment. For example, they may need to cover unexpected increases in workload, maternity leave, prolonged sick leave or to help re-deploy staff in the case of the closure of an office. In general, the maximum length of a continuous casual appointment is 12 months, but it can of course be less.*

***Recurring Temporary Appointments***

*These are arrangements under which staff are contracted to work for short periods each year. The dates of employment for each year and the number of years for which the employment is offered are agreed in advance and set out in the letter of appointment. Such appointments can be useful when a department needs extra staff at certain periods of the year, for example to cover peak periods of work or to provide back-up when staff are absent on leave and work cannot be held over. The temporary option helps maintain organisational flexibility and may avoid unnecessary workforce adjustment costs particularly overtime.*



***Employing People to Work at Short Notice***

*This arrangement allows managers to employ people to work at short notice, usually for short periods at a time. It may be used when a department needs extra staff to cover unforeseen or temporary shortages of permanent staff, or to deal with tasks which occur on an irregular basis. This might include covering prolonged sick absences or annual leave, covering short-term peaks of work or offering work to former members of staff who have retired but would still like to work for short periods.*

**Standby Appointments**

*This is a more formal arrangement than short notice employment. Under standby appointments, people contract to make themselves available for work for short period each year and to accept work whenever they are called upon, subject to an agreed period of notice. The dates of employment for each year, the number of years for which employment is offered and the period of notice before each work assignment are all agreed in advance and set out in the letter of appointment.*

**Part-time Employment**

*Part-time employees are those working less than the standard hours (inclusive of lunch time) a day. Because this employment type can increase resource flexibility, it is done by approving requests of existing full-time employees who voluntarily wish to work part-time hours and by staffing more vacancies on a part-time basis.*

**Specified Period (term) Employment**

*Term appointments are made for a specific period of time to deal with such things as specific projects, workload fluctuations, and programmes which have sunset funding. Term appointments are also used to deal with organisational change or downsizing.*

- 10.68 It was, therefore, recommended that consideration be given to empower Chief Executives, with the approval of the relevant Service Commissions, to recruit on the basis of the foregoing options, to deal with such situations as appropriate to cope with both the problem of scarcity and that of fluctuation in workload.
- 10.69 Pursuant to this recommendation, the High Powered Committee, *inter alia*, decided that, in order to overcome the problems of retention and shortage of staff in certain grades in the general service class, the Ministry of Civil Service Affairs and Administrative Reforms should look into the advisability of recruiting officers on a month-to-month basis and in this connection to consider implementing the recommendations made by the PRB at paragraphs 7.27 and 7.28 of its 1998 PRB Report after seeking Cabinet's approval and delegation of powers from the Public Service Commission.
- 10.70 In this Report, we have re-examined the whole issue of alternative modes of employment and have made appropriate recommendations to enable public sector organisations to have recourse to the most suitable employment practice and to combat the problem of shortage of staff.

**Recommendation 11**

- 10.71 We recommend that Responsible Officers of Ministries/Departments should be allowed to recruit staff on a month-to-month basis or shorter period or on assignment basis in line**

with the options spelt out at paragraph 10.67 to suit the operational requirements of their organisations, to address recruitment and retention problems and to cope with fluctuation in workload after seeking Government's approval and delegation of powers from the appropriate Service Commissions.

**Recommendation 12**

**10.72 We additionally recommend that:**

- (i) Responsible Officers of Ministries/Departments should take appropriate actions for the timely reporting of vacancies to the appropriate Service Commissions.**
- (ii) The Ministry of Civil Service Affairs and Administrative Reforms should impress upon Ministries/Departments to delete from their respective votes all posts, which are no longer required.**
- (iii) Ministries/Departments should keep up to date a database on their retired employees with relevant experience and expertise and whose services may be tapped, on need arising.**

**\*\*\*\*\***

## 11. Reforms in the Civil Service

- 11.1 The changing economic, technological and social conditions are placing new demands and challenges on public sector organisations to deliver quality and timely services. In the light of these, there has been a concerted effort to overhaul the Civil Service to meet the future challenges.
- 11.2 The Prime Minister in his speech in October 2002 on the occasion of the opening ceremony of a seminar on Management of Change, laid emphasis on reforms in the Civil Service as follows:
- "We need now to adopt a more vigorous approach to re-engineer the Public Service in the light of the revised role of Government as a facilitator and trendsetter. This calls for a reassessment of existing practices for more transparency and accountability. We need now to adopt a customer-oriented approach so as to satisfy the actual needs of the public. We must be able to respond quickly to the rising expectations of the public and provide them with the type and level of service they expect with courtesy, fairness and transparency."*
- 11.3 In August 2001, the Ministry of Civil Service Affairs and Administrative Reforms launched its 2001-2003 Action Plan "Towards the Modernisation of the Public Service" focusing on thirteen strategic objectives and a set of projects which aimed at bringing significant changes in the Public Sector during the medium term perspective. Further, the Ministry has set up the Administrative Reforms Unit to be responsible for implementing, monitoring and co-ordinating reform initiatives within the Civil Service. It also obtained the services of a consultant from the Commonwealth Secretariat to advise on Civil Service Reforms.
- 11.4 In order to enlist a wider participation and commitment in the implementation of reform initiatives, five task forces have been set up to assist the Steering Committee on Civil Service Reforms. These are on Performance Management, Financial Management, Human Resource Management/Development, Re-engineering and Restructuring in the Civil Service and Quality Management in the Public Service. The Task Forces comprise representatives of the Civil Service, the Private Sector as well as Federations of Unions.
- 11.5 Major reforms are already underway in the Health Sector, the Education Sector, the Financial Sector and the Information Technology Sector. With a view to creating the right environment to ease the reform process in general a number of administrative reform initiatives have already been introduced. These include, *inter alia*, the implementation of ISO principles in public sector organisations, implementation of Gemba Kaizen principles; preparation and implementation of Customer/Citizen Charter guaranteeing standards of services based on timeliness, response time

as well as the provision of a friendly and courteous service; improvement in counter services; implementation of the code of ethics for public officers to promote ethical and responsible behaviour on the part of public officers in their interaction with all stakeholders; implementation of the principles of the Total Quality Management Framework; implementation of a Staff Suggestion Scheme to provide opportunities to public officers to make valuable suggestions for improvement of services being delivered to the public; and introduction of a Computerised Attendance System to promote punctuality and discipline among officers while constituting a database for management.

- 11.6 Moreover, the Ministry of Civil Service Affairs and Administrative Reforms has started implementing reform processes in certain Ministries/Departments following the recommendations of the Task Forces. The Ministry is also envisaging the elaboration of a Civil Service Act in order to reinforce the Public Sector Reform initiatives and to establish a legal framework relating to Administrative and other policies.
- 11.7 A major Pay Review would not be sustainable without a corresponding increase in productivity and efficiency. To achieve these objectives we are, in this Report, making several recommendations which would impact on productivity and efficiency. The implementation of these measures would no doubt complement and boost up the reform initiatives already underway in the Public Sector.

#### **Recommendation**

- 11.8 **We recommend that in order to sustain the momentum of reforms, all Heads of Ministries/Departments should set up their own Reform Units and ensure that Desk Officers who coordinate reform initiatives between the Ministry of Civil Service Affairs and Administrative Reforms and their organisations are provided with necessary support from top management and other colleagues to ensure the timely implementation and follow-up of the different reform initiatives.**
- 11.9 **We further recommend that a systematic evaluation be carried out before the end of this year on the outcome of the Civil Service Reform initiatives undertaken to date to assess their impact on stakeholders and the public and to obtain feedback for corrective action.**

\*\*\*\*\*

## 12. Public Sector Computerisation

- 12.1 Government's vision is to transform Mauritius into a cyber island as well as a centre of excellence in the region. To this end, it has taken the initiatives to develop the Information and Communication Technologies (ICT) Sector and to propagate the information culture both in the Public Sector and in the public at large. Today, all public sector organisations use some form of computerisation that support administration and help in the delivery of service.
- 12.2 The use of computers in the Public Sector began in 1970. The Data Processing Division (DPD) was created under the aegis of the Ministry of Finance to act as a Centralised Service Bureau for the Civil Service. The first computers were used for government payroll, government pensions, population census, analysis of reports and exports, statistic system, consumer price index, demography, income tax and employment. With the growing demand for computer processing, the mainframes were introduced in 1974 and 1983. These equipments were changed to computers with multi-processing, transaction and printer spooling features.
- 12.3 In order to keep pace with the changing trends in the information technology area, the Data Processing Division (DPD) was restructured and renamed Central Information Systems Division (CISD). It started to decentralise its operations and assisted organisations in the setting up and running of in-house application systems. As from 1994, there has been a major breakthrough with the acquisition of servers to suit the increasing demand particularly for the government payroll and trade statistics.
- 12.4 In view of the importance of Information Technology to the whole economy, the Ministry of Information Technology and Telecommunications was created in 1997 and the Central Information Systems Division and the Central Informatics Bureau (CIB) became its executing arms to manage the Public Sector Computerisation. The CIB is responsible for the strategic assessment of system's needs, planning and development in public sector organisations while the CISD is involved in implementing and maintaining these projects. To date more than 40 major multi-user departmental systems are operational in the Civil Service. The projects range from retrieval of texts and computerisation of activities to the management of fingerprints, weather forecasting, revenue and customs management processes and the patients care system in hospitals. A series of similar projects are currently under implementation.
- 12.5 Recently, there has been a major transition from data processing to Management Information Systems (MIS). Government has adopted an e-government strategy to transform the public sector internal and external relationships through net-enabled operations and information and technology communications, thus optimising delivery of government services and providing

efficient, effective and citizen focused public services 24 hours a day for seven days a week. Soon, the Government Intranet System (GINS) would be in place to provide a common platform for information sharing between the government agencies through the Government Online Centre (GOC). The Government Online Centre would be the focal point through which citizens and businesses would interact electronically with the government agencies.

12.6 However, not all Ministries and Departments are optimally making use of Information Technology. The Government Audit Office, in its Report for the year ending 30 June 2002, has commented that either the applications currently in use in Ministries/Departments are underutilised for lack of right skills and knowledge or used only for pure translation of manual processes. It has further observed that in certain Ministries/Departments there is a lack of commitment and leadership to bring in the changes fundamental to information management and information sharing. As a result, the expected benefits to be reaped from the computerised systems are delayed and due to the rapid change and fast innovation in Information Technology, the applications run the risk of becoming obsolete.

12.7 In view of the above, there is need for a stronger commitment on the part of Ministries/Departments to work in a highly computerised environment and derive quantifiable benefits from investments in the sector. Moreover, there is also a need for a continuous learning/training programme. We are, therefore, making appropriate recommendations to boost up and reap early benefits from the public sector computerisation programme.

**Recommendation 1**

12.8 **We recommend that the Central Information Systems Division/Central Informatics Bureau should (a) continue to provide government-wide leadership by managing systems, identifying opportunities, providing implementation support, sharing administrative services, providing timely and effective interventions; and (b) ensure that the systems in the various Ministries/Departments/Organisations are technologically or otherwise compatible to enable the synergistic development of a well integrated information infrastructure to link all government agencies.**

**Recommendation 2**

12.9 **We also recommend that Ministries/Departments/Organisations should in their turn:**

- (i) **fulfil their corporate responsibilities in participating in re-engineering initiatives by the Central Information Systems Division/Central Informatics Bureau, exploiting the benefits of the government wide network services, and adhering to information management and information technology standard principles; and**



- (ii) ensure that fairly senior officers conversant with the organisations' activities are designated to be responsible for computerisation projects, to act as interface with suppliers, Central Information Systems Division, Central Informatics Bureau and National Computer Board for both hardware and software, to make continuous assessment of requirements and needs, to prepare programme for training updates and to ensure the continued automation of processes and activities to reduce costs and the need for human intervention as far as possible.

**Recommendation 3**

**12.10** We recommend that the Ministry of Civil Service Affairs and Administrative Reforms in consultation with the Ministry of Information Technology and Telecommunications:

- (i) reviews systems of training of civil servants in terms of coverage and content to enable maximum use of Information Technology and derives maximum benefit from the systems; and
- (ii) ensures that a mechanism is put in place to assess on a continuous basis the effectiveness of training and of the computerised system, its deficiency, obsolescence etc. and to make appropriate recommendations for necessary action.

**Recommendation 4**

**12.11** We additionally recommend that wherever appropriate:

- (i) scheme of service should be amended particularly where the job requires computer skills to give preference to candidates who are computer literate or who are holders of relevant IT competencies; and
- (ii) employees' performance be measured in terms of the effective use of the computer system in achieving positive outcome for the organisation.

**Other Recommendations**

**12.12** It is also recommended that:

- (a) staff should be required to perform all IT related activities directly or indirectly related to their job in the context of the e-government strategy and the implementation of government programme;

- (b) staff should be motivated and recognised for their services provided in the field and emphasis be on continuous learning to ensure staff remain up-to-date with development in the sector; and
- (c) staff inspection be carried out to review staffing needs at the lower levels in the wake of computerisation.

\*\*\*\*\*

### **13. Review of Qualifications and Reward**

- 13.1 Qualification is a very important requirement for the performance of a job. As such for each job in the service the qualification required to perform the prescribed duties is specified in a scheme of service. The qualification requirement varies according to responsibility, accountability and complexity of a job. Evidently, the higher the responsibilities, the complexities of the work and the problem solving issues, the higher the qualification requirements for the job. In the past few years, however, numerous human resource problems associated with the whole issue of qualification requirement have emerged in the Public Sector. These problems stem from the manner qualification requirements are specified in schemes of service, the equivalence of qualification, the enlistment of overqualified persons for jobs in a tight market and the dearth of candidates with relevant profiles in particular fields. We deal more elaborately with the issues of recruitment and retention problems in the Public Sector and incremental credit for higher qualifications in the relevant chapters of this Report. In this chapter, we enunciate the different problems and recommend solutions in the interest of parties and the public service.

#### **Recruitment of Overqualified Candidates**

- 13.2 We have today more and more people possessing the Cambridge School Certificate, the Cambridge Higher School Certificate, a diploma or a degree or other higher qualifications in various fields. On the other hand, availability of jobs is limited. This situation is impacting both on recruitment and turnover. Since priority of consideration is most of the time given to the best qualified candidates, the new entrants nowadays very often possess a higher qualification than the minimum required for the grade. This situation has motivated many individuals and associations to make representations for higher salaries. As the basis of the salary structure reflects the worth of the job and not that of the individual, there is no valid reason for a salary increase.

**Reward for Officers Performing at Higher Level**

- 13.3 As mentioned above, we have made recommendations on incremental credit to cater for employees whose additional qualifications are relevant. We are also making recommendations for employees who may usefully perform at higher position distinct from their normal duties by virtue of their qualification and competence e.g. a Customs or a Police Officer having legal qualification called upon to perform duties of a legal nature.

**Recommendation 1**

- 13.4 We recommend that where an officer in a grade has a technical, or professional qualification higher than what is required for the grade and his competency/ability on account of the possession of that qualification is effectively used by the organisation through allocation of relevant duties, such an officer may, subject to the recommendation of the Responsible Officer/Supervising Officer and the approval of the Ministry of Civil Service Affairs and Administrative Reforms, be paid an appropriate allowance.**

**Experience, Skill and Competency**

- 13.5 There exist a few posts, particularly in scarcity areas and those requiring technical qualifications, where incumbents may not possess part of the technical qualifications but have acquired over the years relevant skills and expertise. Such persons may be considered for appointment subject to appropriate confirmation of the classification of their competence by a recognised and approved body e.g. the Mauritius Qualification Authority.

**Recommendation 2**

- 13.6 We recommend that for posts requiring technical qualifications which are scarce, candidates lacking part of these technical qualifications but having acquired a minimum of 10 years' relevant experience/competence and such competence has been recognised by an approved body as sufficient to make good for the lack of the technical qualification, should be given consideration for appointment to the said posts.**

**Qualification Requirements at Entry Level**

- 13.7 In view of the major changes taking place in the education system all over the world and in the structure of examinations with the modular system of learning, there is a need to review the "qualification requirements" for entry in the service. There are grades for which the qualification requirements are Cambridge School Certificate including credit in English Language and the Cambridge Higher School Certificate. Representations have been made by unions and individuals to explore the possibility of reviewing the requirement that the Cambridge School

Certificate with five credits including English Language should be obtained at one and the same sitting for entry in the service.

### **Recommendation 3**

- 13.8** We recommend that for grades requiring five credits at Cambridge School Certificate together with two subjects at "A" level or the Cambridge Higher School Certificate, candidates who have obtained the five credits at Cambridge School Certificate at two sittings should also be considered. However, the Cambridge School Certificate should be prior to the "A" level.

### **Rationalisation of Qualification at Degree Level**

- 13.9 There appears to be no consistency in the "qualification requirements" laid down in many schemes of service. For certain posts candidates are required to possess the Cambridge School Certificate, the Cambridge Higher School Certificate plus a degree, for others the requirements are the GCE "A" level plus a degree, while there are still other posts where only a degree has been laid down as core qualification. There is, therefore, need to rationalise these qualification requirements.

### **Recommendation 4**

- 13.10** We recommend that the qualification requirements for entry grades requiring a degree should henceforth be a post "A" level degree in the relevant field. This does not apply to grades where a post SC degree has been deemed equivalent to a post HSC Diploma in the scheme of service e.g. in the Education Sector.

### **Qualification Requirements for Grade-to-Grade Promotion**

- 13.11 We have received representations that candidates are unable to be promoted though they possess the higher/highest qualification prescribed because they lack part of the lower qualification. We are making a recommendation to address this issue.

### **Recommendation 5**

- 13.12** We recommend that where two or more qualifications are specified for promotion, an officer in the service at the level immediately below who possesses the whole of the higher/highest qualification but lacks part of the lower qualification/s, should also be considered for promotion, unless another additional qualification is also required for the promotional post.

### **Alternative and Equivalent Qualifications**

- 13.13 We have various entry grades which require a degree and appointment thereto have been made with qualifications which have been considered as alternative or deemed to be equivalent to those prescribed in the schemes of service.

**Recommendation 6**

- 13.14 **We recommend that alternatives to a prescribed qualification should as far as possible be of the same level and in the same subjects that are required for the post.**

- 13.15 **We also recommend that where a post SC degree has been deemed to be equivalent to a post "A" level Diploma in a scheme of service, candidates who hold a degree but lack part or the whole of the SC qualification should also be considered for appointment in scarcity areas e.g. Oriental Language Teachers.**

- 13.16 **We further recommend that when a candidate has been recruited on the basis of qualifications deemed to be equivalent to the prescribed qualifications in the scheme of service, this equivalence should continue to be considered for promotion posts as if the incumbent possesses the required qualifications.**

**Salary of Grades Requiring Diploma**

- 13.17 The Bureau has received representations to grant the same salary scales to all posts requiring a diploma. All diplomas are not equivalent. The requirement for entry to the diploma course in a few instances is the Cambridge School Certificate while in others it is the Cambridge Higher School Certificate. Also the duration of the course differs from one diploma to another. Moreover several diplomas are done at the expense of government after entry in the service. Above all, qualification is not the only criterion for pay determination. *We reiterate that all grades requiring a diploma do not score similarly on all job evaluation factors and the case for the same salary is not justified.*

**Qualifications Requiring Registration with Recognised Bodies**

- 13.18 There are grades which require registration to recognised Institutes/Bodies according to their scheme of service while there are others which do not require such registration but incumbents register to avail themselves of books/periodicals issued by these bodies to keep abreast of latest development/information. Registration involves payment of a regular contribution which is an additional cost. We are providing an incentive as a compensation to those people who are registered members of recognised Institutes/Bodies.

**Recommendation 7**

- 13.19 We recommend that officers, who according to their schemes of service are required to be members of recognised Institutes/Bodies in order to be able to exercise their profession and have to subscribe for membership in order to be on the roll, should be granted an assistance of 50% of the annual subscription fee up to a maximum of Rs 4000 or the total subscription fee up to Rs 1000, whichever is the higher.
- 13.20 We also recommend that the payment of the annual subscription fee may, subject to the approval of the Ministry of Civil Service Affairs and Administrative Reforms, be extended to professionals who though not required to be members, have been affiliated/registered to internationally recognised Institutes/Bodies for a period of at least two years' where the experience gained from the affiliateship is being utilised effectively by the organisation.

\*\*\*\*\*

## 14. Other Pertinent Issues and Recommendations

- 14.1.1 In this chapter, we focus on those residual issues of general application or which cut across the whole Public Sector at well-defined levels. Although classified under “Other Pertinent Issues and Recommendations”, these issues are as important as those dealt with in separate chapters of this Report.

### Desirable Behaviour/Leadership for Results

- 14.2.1 The Report lays much emphasis on desirable behaviours for improved service. The importance for managers and executives to adhere to effective behaviour is still more crucial for effective performance. **The Senior Civil Service Competence Framework adopted in the British Civil Service has identified six core competencies for leaders to ensure effective results namely (i) giving purpose and direction, (ii) making a personal impact, (iii) thinking strategically, (iv) getting the best from people, (v) learning and improving and (vi) focusing on delivery.**
- 14.2.2 The relevant effective behaviours are juxtaposed with those behaviours considered ineffective under each of these core criteria set out below for better understanding, information and guidance:

<b>GIVING PURPOSE AND DIRECTION</b>	
<b>Creating and communicating a vision of the future</b>	
<b><i>EFFECTIVE BEHAVIOUR</i></b>	<b><i>INEFFECTIVE BEHAVIOUR</i></b>
<ul style="list-style-type: none"> <li>• Is clear what needs to be achieved</li> <li>• Involves people in deciding what has to be done</li> <li>• Communicates a compelling view of the future</li> <li>• Sets clear short and long term objectives</li> <li>• Creates practical and achievable plans</li> <li>• Establishes standards of behaviour which promote diversity</li> <li>• Agrees clear responsibilities and objectives to deliver results</li> <li>• Initiates change to make things happen</li> </ul>	<ul style="list-style-type: none"> <li>• Looks to others to provide direction</li> <li>• Takes an overly cautious approach</li> <li>• Assumes people know what is required of them without being told</li> <li>• Loses sight of the big picture</li> <li>• Allows a culture which is intolerant of diversity</li> </ul>

<b>MAKING A PERSONAL IMPACT</b>	
<b>Leading by example</b>	
<b><i>EFFECTIVE BEHAVIOUR</i></b>	<b><i>INEFFECTIVE BEHAVIOUR</i></b>



<ul style="list-style-type: none"> <li>• Visible and approachable to all</li> <li>• Acts with honesty and integrity</li> <li>• Is valued for sound application of knowledge and expertise</li> <li>• Resilient and determined</li> <li>• Challenges and is prepared to be challenged</li> <li>• Says what people may not want to hear</li> <li>• Takes difficult decisions and measured risks</li> <li>• Accepts responsibility for own decisions</li> <li>• Takes personal responsibility for making progress in equality and diversity</li> <li>• Implements corporate decisions with energy and commitment</li> </ul>	<ul style="list-style-type: none"> <li>• Says one thing and does another</li> <li>• Takes contrary views as a personal criticism</li> <li>• Fights own corner, ignoring wider interests</li> <li>• Accepts the status quo</li> <li>• Aloof and arrogant</li> <li>• Aggressive not assertive</li> </ul>
--	--

<b>THINKING STRATEGICALLY</b>	
<b>Harnessing ideas and opportunities to achieve goals</b>	
<b><i>EFFECTIVE BEHAVIOUR</i></b>	<b><i>INEFFECTIVE BEHAVIOUR</i></b>
<ul style="list-style-type: none"> <li>• Sensitive to wider political and organisational priorities</li> <li>• Assimilates and makes sense of complex or conflicting data and different perspectives</li> <li>• Finds new ways of looking at issues</li> <li>• Homes in on key issues and principles</li> <li>• Considers the potential and impact of technology</li> <li>• Identifies opportunities to improve delivery through partnerships</li> <li>• Anticipates and manages risks and consequences</li> <li>• Gives objective advice based on sound evidence and analysis</li> <li>• Communicates ideas clearly and persuasively</li> </ul>	<ul style="list-style-type: none"> <li>• Works only from own perspective or assumptions about the world</li> <li>• Fails to make connections between ideas or people</li> <li>• Focuses solely on the detail</li> <li>• Focuses on intellectual debate at the expense of action</li> <li>• Fails to consider the needs of a diverse community</li> </ul>
<b>GETTING THE BEST FROM PEOPLE</b>	
<b>Motivating and developing people to achieve high performance</b>	
<b><i>EFFECTIVE BEHAVIOUR</i></b>	<b><i>INEFFECTIVE BEHAVIOUR</i></b>

<ul style="list-style-type: none"> <li>• Gets to know individuals and their aspirations</li> <li>• Adapts leadership style to different people, cultures and situations</li> <li>• Knows when to step in and when not to</li> <li>• Listens and takes account of diverse views</li> <li>• Gives and expects frequent constructive feedback</li> <li>• Coaches individuals so that they give of their best</li> <li>• Tackles poor performance or inappropriate behaviour</li> <li>• Praises achievements and celebrates success</li> </ul>	<ul style="list-style-type: none"> <li>• Works only with the most competent people</li> <li>• Writes rather than speaks</li> <li>• Has a fixed management style</li> <li>• Does not delegate challenging or interesting work</li> <li>• Is uncomfortable working with people from diverse backgrounds</li> <li>• Blames others</li> <li>• Avoids giving bad news</li> </ul>
--	---

<b>LEARNING AND IMPROVING</b>	
<b>Drawing on experience and new ideas to improve results</b>	
<i>EFFECTIVE BEHAVIOUR</i>	<i>INEFFECTIVE BEHAVIOUR</i>
<ul style="list-style-type: none"> <li>• Aware of own strengths, weaknesses and motivations</li> <li>• Applies learning from own and others' experience</li> <li>• Builds productive relationships with people across and outside the organisation</li> <li>• Understands, values and incorporates different perspectives</li> <li>• Seeks new or different ideas and opportunities to learn</li> <li>• Readily shares ideas and information with others</li> <li>• Encourages experimentation and tries innovative ways of working</li> <li>• Works with partners to achieve the best practical outcomes</li> <li>• Adapts quickly and flexibly to change</li> </ul>	<ul style="list-style-type: none"> <li>• Cannot see things from other people's perspective</li> <li>• Assumes at the outset different perspectives need not be taken on board</li> <li>• Does not listen</li> <li>• Sticks to outdated methods</li> <li>• Unwilling to be exposed to risk or uncertainty</li> </ul>

<b>FOCUSING ON DELIVERY</b>
<b>Achieving value for money and results</b>

<i>EFFECTIVE BEHAVIOUR</i>	<i>INEFFECTIVE BEHAVIOUR</i>
<ul style="list-style-type: none"> <li>• Organises the work to deliver to time, budget and agreed quality standards</li> <li>• Negotiates for the resources to do the job</li> <li>• Rigorous in monitoring and reviewing progress and performance</li> <li>• Puts customers first</li> <li>• Is not deflected by obstacles or problems</li> <li>• Shifts resources as priorities change</li> <li>• Seeks continuously to improve performance</li> <li>• Makes best use of diverse talents, technology and resources to deliver results</li> </ul>	<ul style="list-style-type: none"> <li>• Commits to delivery regardless of impact on team or self</li> <li>• Focuses on the process rather than getting results</li> <li>• Avoids dealing with difficult problems</li> <li>• Continually fire fighting</li> <li>• Takes sole credit for achieving results</li> <li>• Does not manage risks</li> </ul>

**14.2.3 It is expected that the foregoing extract from the Senior Civil Competence Framework would serve as a useful guide for self-appraisal, corrective action, model behaviour and above all effective outcomes.**

## **Promotion**

14.3.1 According to the Public Service Commission (PSC) Regulations, “Promotion” means the conferment upon a person in the Public Service of a public office to which is attached a higher salary or salary scale than that attached to the public office to which he was last substantively appointed or promoted.

14.3.2 The PSC Regulations also provides that promotion should be based on qualifications, experience and merit before seniority in the Public Service. The Regulations further state that recommendations made by Responsible Officers to the Commission for promotion should state whether the person recommended is the senior public officer in the particular class or grade eligible for promotion and, where this is not the case, detailed reasons should be given in respect of each person in that same class or grade over whom it is proposed that the person recommended should be promoted.

14.3.3 In our 1987 Report, we recommended, as a measure to combat the lowering of the standard of performance and efficiency, that as far as possible qualifying/competitive examination should be introduced at various levels: qualifying examination for grade-to-grade promotion and competitive examination for class-to-class promotion. It was

further recommended that examinations for promotion be mainly work-related and that, wherever appropriate, attendance at designated courses should be a condition for promotion.

14.3.4 However, in 1988, Mr. Chesworth commented that in view of the number of grades in the Civil Service, Parastatal Bodies and Local Authorities, the implementation of the recommendation made in the 1987 PRB Report might be extremely difficult and cause considerable delay in the filling of vacancies. Furthermore, he was of the view that if there had been an examination for entry into a particular cadre, further examinations for promotion to grades within that cadre might not be necessary.

14.3.5 We have since received representations from both Management and Staff Side with diverging but very strong opinions on that issue. **Management submits that merit should be the main criterion for promotion and the Staff Side argues that in the absence of a proper system to determine merit, promotion should be based on seniority.**

#### **Consideration**

14.3.6 A class to class promotion which involves a complete change in the nature of the job on promotion is already made through a selection exercise and the procedure is not disputed by any party. On the other hand, it stands to reason that grade to grade promotion at levels where officers are expected to perform duties of the same nature requiring mainly increased experience for the performance of the job could be made on the usual basis of experience, merit and seniority. Seniority could also be considered decisive in matter of promotion of lower levels where physical and technical skills can be developed through long practice. However, for jobs at the middle level, where some decision-making ability, leadership qualities and skills on the job are required, **seniority alone cannot be depended upon** for the filling up of the posts. **In such cases, along with seniority, merit must also receive due attention.**

14.3.7 For jobs at managerial levels, the approach should be radically different. The main factor to be taken into consideration when filling a vacancy to a higher position where initiative, competence, conceptual clarity and the ability to take decisions are the main requirements, should be the recognised capacity for an officer to perform at the expected level. Assessment should, therefore, be made of the officer's capacity of delivering the goods and this can only be made by a selection exercise. This exercise should not necessarily be a competitive examination but could consist of an assessment of training received and experience; length of service; an oral examination; a performance test; a factor based on recorded service ratings; a factor based on formal in-service training courses successfully completed; a written objective test; or any combination thereof.

**Conclusion**

14.3.8 We consider that the objective of a proper promotion exercise is the enlistment of the right candidate for the right job. Harmonising promotion procedures and criteria is not a *sine qua non* condition to achieve this end. Both promotion procedures, namely, through seniority on the basis of a recommendation from the Responsible Officer and through a selection exercise carried out by the Commission, have their own merits and demerits and a complete standardisation on one or the other would not be in the interest of the Public Service. We hold the view that each case would have to be examined on its own merit depending upon a series of factors ranging from the level at which the promotion is being made, the job specifications and profile, the availability of persons, the establishment size etc.. We also hold the view that, to enable organisations to prepare and choose the right candidate for a promotional position, Performance Management, as recommended at **Chapter 7** in this Volume, should be introduced as early as possible.

**Recommendation**

14.3.9 **We recommend that:**

- (a) **class-to-class promotion should invariably be made on the basis of selection; and**
- (b) **grade-to-grade promotion should be determined on a case to case basis and the mode of promotion explicitly mentioned in the relevant schemes of service.**

14.3.10 **We further recommend the following promotion framework as a guideline for determining the promotion procedure for grade-to-grade promotion:**

- (a) **for grades at lower levels, where physical and technical skills can be developed through long practice and for grades with duties of same nature requiring mainly increased experience for the performance of the job, promotion could be made on the usual basis on the recommendation of the Supervising Officer;**
- (b) **for jobs at the middle level, where some decision-making ability, leadership qualities and skills on the job are required, seniority alone should not be depended upon but that along with seniority, merit must be given due weight and attention;**
- (c) **for jobs at higher levels, such as, first in command or second in command, appointment should be made by selection from suitable and qualified candidates at the appropriate levels from the same cadre or from another cadre that has branched out from the main cadre;**
- (d) **the selection exercise, both for middle and higher levels, should not necessarily be a competitive examination but could consist of an assessment of training received and experience; length of service; an oral examination; a performance test; a factor based on recorded service ratings; a factor based on formal in-service training**

courses successfully completed; a written objective test; or any combination thereof; and

- (e) where a selection exercise has been made for one of the levels of a cadre, appointment to the next grade could be made on the basis of seniority, i.e. in a cadre of four levels or more, selection could be made for the first and third levels or for the second and fourth levels; e.g. if an Assistant has been chosen through selection, the Deputy could be appointed on the basis of seniority and merit etc. This should not preclude selection at two successive levels where the need is felt.

### **Monitoring of Recommendations**

14.4.1 The Federations of Unions have submitted that while implementation of recommendations contained in the PRB Report should *de facto* be the responsibility of the Ministry of Civil Service Affairs and Administrative Reforms, the monitoring of the implementation should be entrusted to another body, preferably the Pay Research Bureau. We have examined the matter and are making appropriate recommendations below.

#### **Recommendation**

14.4.2 **We recommend that any problem arising out of interpretation/implementation of the recommendations contained in this Report be referred to the Bureau through the Ministry of Civil Service Affairs and Administrative Reforms together with relevant comments from both the organisation and the Ministry of Civil Service Affairs and Administrative Reforms, for clarification and any action deemed necessary.**

- 14.4.3 We also recommend that the High Level Committee mentioned at paragraph 7.13 of this Report should be entrusted with the responsibility of monitoring the implementation of the PRB recommendations.

### **Salary Points Related to Eligibility of Benefits**

- 14.5.1 The salary levels set in this Report for determining an officer's eligibility to conditions of service e.g. travelling allowance, travel grant, car allowances, overtime, passage benefits, refer to the basic salary without extra remuneration.

### **Mutually Agreeable Retirement Schemes**

- 14.6.1 It has been submitted that situation sometimes arises when an officer is unable, for one reason or another, to cope with the responsibility entrusted to him thus affecting the productivity of the organisation.
- 14.6.2 The organisation would have gained if the officer were to retire voluntarily allowing management to find an appropriate replacement. However, the present pension regulations does not provide adequate incentive for such an officer to retire.
- 14.6.3 On the other hand, there are many other officers who may be willing to offer their services to their organisations beyond the retiring age of 60 years. The organisation would have benefited by making use of the vast experience of such officers.

#### **Recommendation 1**

- 14.6.4 We recommend that consideration be given to the introduction of a Mutually Agreeable Retirement Scheme to allow an officer, aged 50 or more, who is willing to retire voluntarily, and whom management would wish to part with, to do so with enhanced retirement benefits as provided for an officer becoming redundant in the case of reorganisation under the Pensions Regulations 1951 whereby an officer may be granted an additional pension at the annual rate of one sixtieth of his pensionable emoluments for each complete period of three years' pensionable service provided that:
- (a) the addition does not exceed ten sixtieths; and
  - (b) the addition together with the remainder of the officer's pension does not exceed the pension for which he would have been eligible if he had continued to hold the office held by him at the date of his normal retirement.

**Recommendation 2**

- 14.6.5 We further recommend that consideration be given to allowing certain efficient and experienced officers, who are willing to work and whose services would be beneficial to the organisation, to work for a few more years beyond their compulsory retiring age, on the recommendation of the management of the organisation in consultation with the Ministry of Civil Service Affairs and Administrative Reforms and the approval of the relevant Service Commissions. The implementation of this recommendation should be done in a manner that does not cause any prejudice to officers in post.

**Filling of Posts**

- 14.7.1 With regard to organisation structures in the Civil Service, Parastatal Bodies and Local Authorities, we have provided the ideal number of levels considering also foreseeable development. **Consequently, posts should be filled as and when the need arises when dictated by operational requirements.**
- 14.7.2 **Where we have recommended amendments in the schemes of service, these should be done as early as possible to allow enlistment.**

**Payment of Allowances**

- 14.8.1 **Previous authority for the payment of allowances should lapse with the implementation of this Report, except for those specifically mentioned therein. Allowances not covered in this Report but which may still be justified would be revised by the Bureau upon recommendation of the Ministry of Civil Service Affairs and Administrative Reforms.**

**Qualification and Relativity**

- 14.9.1 In the light of the changing work requirements, there has been need to review the qualification for entry in the service. In so doing, we have ensured that such changes do not upset relativities based on job responsibilities. To this end, we have deliberately reviewed the qualification requirements for relevant benchmark grades e.g. from Cambridge School Certificate with five credits to two “A” levels at the General Certificate of Education, at one and the same time.
- 14.9.2 Moreover, as explained in the chapters on “Approach and Methodology” as well as on “Review of Qualification and Reward”, qualification is only one of the several factors that are taken into



account in pay determination. Factors such as job content, organisation structures, number of levels, hours of work are equally important.

- 14.9.3** **Consequently, claims from any of the concerned grades for larger relative increase in relation to other grades on ground of increase in qualification are not justified and should not be entertained.**

## **Creation of Supernumerary Posts**

- 14.10.1 Senior Public Officers, in charge of a department or a major division/unit, who are granted leave without pay for a fairly long period to enable them to take up employment outside the civil service are replaced by their deputies or other officers.
- 14.10.2 These replacing officers are only granted an acting/responsibility allowance and are not allowed to enjoy any of the benefits attached to the higher post, such as duty-free car, travelling allowance, end-of-year bonus etc. although they are required to shoulder all the responsibilities of the post continuously over a fairly long period. In some cases of long assignments, the allowance payable is reduced annually with the grant of the annual increment.
- 14.10.3 It is considered that officers who have been acting in a higher post for more than one year should be allowed to enjoy the benefits attached to the higher post.
- 14.10.4 The Ministry of Civil Service Affairs and Administrative Reforms has recommended the creation of supernumerary posts to address the issue. It has recommended that, henceforth, arrangements should be made for the creation of supernumerary posts as soon as a public officer occupying a topmost position proceeds on leave without pay to take up employment outside the service, or is otherwise away, for at least one year. The supernumerary post should only be filled after the replacing officer has acted continuously in the higher office for at least one year and the leave granted to the substantive holder has been renewed.
- 14.10.5 Such posts can only be filled with effect from the date of assumption of duty and are abolished when the substantive holders resume duty. Appointment to these posts, although made by the Public Service Commission, is not of a permanent nature but officers progress in the scale attached to this post and enjoy all the benefits attached thereto.

**Recommendation**

- 14.10.6** We recommend that the present arrangements regarding the creation and filling of supernumerary posts and appointment thereto be maintained.

### **Pay Policy for Public Enterprises**

- 14.11.1 A few public sector organisations are not reported upon by the Pay Research Bureau. Several of them operate on commercial lines under the Companies Act and are even quoted on the Stock Exchange. There are others which, though not falling under the Companies Act, operate completely on commercial lines.
- 14.11.2 However, there are still others which are wholly financed by government funds and are essentially regulatory or service providers. The pay policy adopted by these enterprises often causes unwarranted pay drift and generate industrial relations problem elsewhere. There is, therefore, a case for some regulation.

**Recommendation**

- 14.11.3** We recommend that Government considers the advisability of coming up with a National Pay Policy to regulate such organisations. It may be advisable that such organisations adopt a pay range which may be anywhere between 80% to 120% of civil service pay for corresponding grades, depending upon market factors, experience of incumbents and relative insecurity of tenure.

### **Management Review Exercise**

- 14.12.1 In the general context of Reforms, various Ministries/Departments/Organisations may need to review their structures or to carry out a Management Review or Scrutiny to address specific problems. Depending upon what the problem is, such exercise is today entrusted either to the Management Audit Bureau or the Ministry of Civil Service Affairs and Administrative Reforms. The latter often calls on the expertise of this Bureau. In certain instances, the scope of the work may require the setting up of a multi-disciplinary team.

**Recommendation**

- 14.12.2** The Bureau recommends that the Ministry of Civil Service Affairs and Administrative Reforms may set up multi-disciplinary teams comprising representatives of the Ministry of Civil Service Affairs and Administrative Reforms, the Ministry of Finance, the

Management Audit Bureau and the Pay Research Bureau to carry out management review work and scrutiny exercises in Ministries/Departments/Organisations where such need arises.

14.12.3 Management of Organisation/Department should channel their requests for the conduct of such exercise indicating, amongst others, the problem area, the scope of the work, the purpose of the assignment to the Secretary for Public Service Affairs.

\*\*\*\*\*

---

---

## 15. CONDITIONS OF SERVICE

- 15.1 Conditions of Service for public sector employees have in the course of time, more particularly with each successive general review exercise, evolved and undergone fundamental changes either through the introduction of additional benefits to meet statutory/mandatory requirements, to ensure the basic rights of employees, and/or through the redesign of existing conditions to continually ensure their effectiveness.
- 15.2 Considerable attention has been devoted while reviewing the conditions of service to ensure that the whole package induces desirable behaviour and caters for employees' welfare and needs.
- 15.3 Wherever appropriate, we have maintained more or less similar basic benefits for all staff. However, a hierarchy of benefits above a base has been maintained and/or recommended according to job grades to ensure fair differentials in the total compensation package commensurate with responsibilities.
- 15.4 *We, moreover, recommend that adequate measures should be taken to ensure employees' safety, health and welfare; the physical surroundings in which people work must be as pleasant and comfortable as environment allows and the hours of work should pay due regard to the requirements of organisations and the basic social needs at home and in the community. In short, welfare measures to facilitate the overall development of the employees and generate in them a feeling of belongingness should be promoted.*
- 15.5 It is expected that the revised conditions of service together with appropriate safety, health and welfare measures would have beneficial results in the form of more effective recruitment; improved morale and loyalty; lower turnover and absenteeism; good industrial and working relations; increased unions' satisfaction; and desired employee behaviour and attitude for improved performance.
- 15.6 In the process of developing and finalising the conditions of service, we have ensured that the recommendations are well formulated to enable their smooth implementation. We, however, consider that it would still be essential that appropriate mechanism be provided for successful implementation and correct interpretations, whenever expedient.
- 15.7 *We, therefore, recommend that the Ministry of Civil Service Affairs and Administrative Reforms should continue to act as a facilitator and monitoring body to ensure that conditions of service are communicated fully and efficiently and are implemented in a standard and consistent manner and continue to report to the Bureau any need for amendments, alterations or clarifications.*

15.8 A comprehensive set of the General Conditions of Service is given in the following sections of this Chapter. The Conditions of Service in relation to Rodrigues and the Outer Islands are at **Chapter 17**. Other specific Conditions of Service are dealt with in the literature concerning the relevant organisations in the relevant volume of this Report.

\*\*\*\*\*

---

---

## **1. End-of-Year Bonus**

15.1.1 Over the past years, payment of an end-of-year bonus to public sector employees has been made through the enactment of legislation. Every year, the Ministry of Finance issues a Circular Letter to Supervising Officers in charge of Ministries/Departments setting out Government's decision to pay the end-of-year bonus to public sector employees.

15.1.2 However, in the 2001-2002 Budget Speech, the Deputy Prime Minister and Minister of Finance announced that Government had decided to amend the conditions of service of employees in the Public Sector to include the payment of a full one month pay as end-of-year bonus on a permanent basis. We are, therefore, making appropriate recommendation to elevate the payment of an end-of-year bonus to public sector employees to the status of conditions of service.

### **Recommendation 1**

**15.1.3 We recommend that an end-of-year bonus equivalent to one month's salary should be an integral and permanent element of the conditions of service of all employees of the Public Sector.**

### **Recommendation 2**

**15.1.4 The following provisions concerning the grant of end-of-year bonus, which are presently in force, are maintained:**

- (a) Subject to sub paragraph 15.1.4(c) below, payment of the bonus is on a pro-rata basis to employees who reckon less than a year's service and are still in employment on 31 December.**
- (b) In the case of employees who retired during the year, the bonus is calculated pro-rata according to the period in respect of which they have drawn salary and pension respectively. The same principle applies to employees who were on approved leave without pay during the year and have resumed duty.**
- (c) Subject to sub paragraph 15.1.4(d) below, employees who were on approved leave with half pay during the whole or part of the year will be eligible for a proportion of the bonus which the salary/wage actually drawn during the year bears to the total annual salary/wage.**
- (d) As regards Government employees who joined a Parastatal Body (or vice versa) in the course of the year and are still in employment, the following principles are**

followed: (i) those who have not resigned from their previous service are eligible for bonus from the Government and the Parastatal Body in proportion to their respective periods of service during the year in the two sectors; and (ii) those who have resigned from their previous service are only eligible for a bonus in proportion to the period of service with their present employer.

- (e) No payment is made to those who have resigned or have been dismissed or are under interdiction. However, employees who have been reinstated in their posts may be paid the end-of-year bonus in respect of the period they were under interdiction, subject to the approval of the Ministry of Finance.

\*\*\*\*\*



---

---

## **2. Travelling and Car Benefits**

- 15.2.1 Travelling allowances and car benefits are the most major perquisites next to pension rights. They include refund of travelling for official purposes as well as for attending duty; loan for purchase of vehicles at subsidised interest rate; duty deferred purchases and provision of official cars.
- 15.2.2 Travelling and car benefits may be broadly classified into the following categories:
- (a) chauffeur-driven cars for official and private use;
  - (b) self-driven car for official and private use;
  - (c) 100% duty deferred car and commuted travelling allowance to certain categories of professionals and senior officers;
  - (d) 60% duty deferred facilities granted to field officers;
  - (e) commuted travel grant to officers at certain salary levels;
  - (f) loan at subsidised rate, for the purchase of duty deferred motorcycle/autocycle to eligible field officers; and
  - (g) refund of travelling by bus.
- 15.2.3 As can be seen from the above, except for field officers, level of entitlement increases as officers move up the echelon - the lower grades qualifying for full refund by bus, the operational staff at certain salary level for a travel grant by car; the senior professional for duty free facilities and the top executive for a chauffeur-driven car. This has been set in order not to disturb evaluation based relativities.
- 15.2.4 It is further noted that travelling allowances have been revised as from 1 January 2003 to cater for fuel, road tax and insurance increases.

- 15.2.5 Representations have been received for: (a) moving officers from one level of benefit to another; (b) enlarging the base of beneficiaries of duty deferred facilities; (c) granting duty deferred facilities during an officer's career instead of at the time of retirement and for increasing travelling allowances in general.
- 15.2.6 We have carefully examined the representations and are making appropriate recommendations in the ensuing paragraphs. Care has been taken in designing the package to ensure that the increasing benefits as officers move up the echelon do not disturb the relativities established through job evaluation and are commensurate with increased responsibilities and accountabilities. This has particularly been ensured at cut points qualifying for increased benefits e.g. the link between eligibility for travel grant and overtime work at a discounted rate has been maintained and other trade-off links up the ladder have been established. The need to keep the number of duty deferred vehicles at a reasonable level has also been an important consideration.

**Chauffeur-Driven Car Benefits**

- 15.2.7 (i) At present, Judges and officers drawing a monthly salary of Rs 34270 and above benefit from the exclusive use of a chauffeur-driven government car, both for official and private use. The High Powered Committee chaired by the Secretary to Cabinet and Head of the Civil Service and comprising the Financial Secretary, the Secretary for Public Service Affairs, Ministry of Civil Service Affairs and Administrative Reforms and the Director, Pay Research Bureau, normally decides on the provisions regarding the grant of chauffeur-driven government cars, their engine capacity, the renewal period, the petrol allowance and the monetary value of the private use of the car for pension purposes.
- (ii) The “scheduled maintenance”, as defined in the car’s manual and ordinary repair costs are a charge to public funds but officers have to bear the costs of “routine maintenance” such as washing, cleaning, waxing, checking of tyre pressures, tyre repairs, etc. and to provide shelter for the car.
- (iii) The officers are liable to tax in respect of the use of the car for private purposes.
- (iv) On retiring at the age of 50 or above, the officers may purchase the official car allocated to them or may opt to purchase a new car of up to the appropriate engine capacity on which customs duty is remitted. In case an officer chooses to purchase a new car, the duty free certificate issued to him remains valid as from the date he proceeds on pre-retirement leave up to six months after the effective date of his retirement.
- (v) Officers, who opt to employ a driver on a casual basis, are entitled to a driver’s allowance of Rs 5000 monthly as already determined by the High Powered Committee.

(vi) As regards officers drawing a monthly salary of Rs 34270 and above who have not taken advantage of a chauffeur-driven car either due to:

(a) their postings at Mauritius Embassies/Missions abroad;

**or**

(b) their preference to use their own duty-free cars;

**or**

(c) for reasons beyond their control;

the monetary value of the private use of a chauffeur-driven car is also reckoned for the computation of their retirement benefits.

(vii) (a) In lieu of the chauffeur-driven car, officers are allowed to opt for the purchase of a car on which 100% customs duty is remitted. The engine capacity of the car is at least 1400 c.c. but not more than the engine capacity of the chauffeur-driven car to which they are entitled. These officers are granted loan facilities equivalent to 18 months' salary at interest rate of 7.5% per annum refundable in 60 monthly instalments. The car is renewable every five years. These officers are also entitled to a monthly travelling allowance of Rs 6030 or mileage at the rate of Rs 6.35 per km for the first 800 km and Rs 2.65 for over 800 km.

(b) Officers who use their own cars in lieu of the chauffeur-driven government car and are on approved leave during a calendar month either locally or abroad or on study leave with pay or on official mission are eligible to a monthly commuted allowance of Rs 3420.

15.2.8 The provisions of the recommendations at (i) to (vii) above apply also to officers of Parastatal and other Statutory Bodies and Local Authorities, drawing a salary of Rs 34270 and above.

15.2.9 While the chauffeur-driven government car scheme has to be maintained in its essence as the reasons for which it was introduced still stand valid, a few provisions particularly those concerning the services of a driver are being modified.

### **Recommendation 1**

**15.2.10 We recommend that:**

(i) **the present provisions governing the chauffeur-driven government car scheme should be maintained for officers drawing a monthly salary of Rs 47500 and above except for the services of a driver;**

- (ii) **the High Powered Committee should continue to look into the provisions regarding other benefits related to chauffeur-driven/official cars such as engine capacity, period of renewal, petrol allowance, driver's allowance in lieu of the services of a driver and the monetary value for private use of car accruing to officers drawing a monthly salary of Rs 47500 and above;**
- (iii)
  - (a) **Officers may opt, in lieu of the chauffeur-driven government car, for the purchase of a car on which 100% customs duty would be remitted, provided the engine capacity of the car does not exceed that of the official car to which the officer is entitled, and be granted loan facilities representing 18 months' salary at interest rate of 7.5% per annum refundable in 60 monthly instalments. The car may be renewed every five years or as may be determined by the High Powered Committee;**
  - (b) **Officers who opt to purchase a duty remitted car would be entitled to travelling benefit as laid down at paragraph 15.2.48 (iv) and (v);**
  - (c) **Officers who wish to renew their duty remitted car purchased on terms and conditions laid down at (iii) (a) above at the expiry of the five year period, should be granted loan facilities up to a maximum of 15 months' salary at an interest rate of 7.5% per annum refundable in 48 monthly instalments; and**
  - (d) **For officers eligible for 100% duty remission on car, on retiring at the age of 50 and above, the duty free certificate issued to them remains valid as from the date they proceed on pre-retirement leave up to six months after the effective date of their retirement.**

#### **Recruitment of Drivers by Officers Eligible for Chauffeur-Driven Car**

- 15.2.11 Presently officers drawing a monthly salary of Rs 34270 and above are entitled to a chauffeur-driven government car. Officers are allowed to opt for the services of a driver on the establishment or to employ a personal driver of their choice against payment of a driver's allowance.
- 15.2.12 The existing provisions give rise to several problems e.g. a driver attached personally to an officer has to be eventually absorbed on the establishment of the organisation. After the retirement of the officer the services of such drivers are underutilised or are no longer required and the driver cannot be easily redeployed as the post has been created as a departmental grade meant for the specific organisation.

**Recommendation 2**

**15.2.13 We recommend that:**

- (i) **Judges and Chief Executives/Responsible and Accounting Officers of Ministries/Departments drawing salary of Rs 47500 or more and who prior to the coming into effect of this Report were eligible for a chauffeur-driven car should continue to benefit from the services of a driver on the establishment of the organisation or from a pool of drivers of the Ministry of Civil Service Affairs and Administrative Reforms or the relevant Ministry OR be paid an all inclusive allowance in lieu of the services of a driver.**
- (ii) **Officers including Chief Executives/Responsible and Accounting Officers who would draw Rs 47500 or more as from 1 July 2003 would now be eligible for an official car and be paid an allowance in lieu of the services of a driver. Officers in this category may on the approval of the High Powered Committee be provided with the services of a driver either on the establishment of the organisation or from the appropriate pool in lieu of the allowance.**
- (iii) **Officers who have already benefited from a self-driven government car and who by virtue of the recommendation at paragraph 15.2.10 (i) of this Report qualify for an official car and a driver's allowance as at sub paragraph (ii) above would be eligible for a new official car only after five years have elapsed as from the date of purchase of the self-driven car.**

**Chauffeur-Driven Government Car to Officers on Leave/Mission or in Acting/Temporary Capacity**

**Retention of Cars**

- 15.2.14 **Officers entitled to chauffeur-driven government cars are allowed to retain responsibility of the car while on mission or on leave including leave prior to retirement. During their leave, officers are also eligible for petrol allowance provided they are not absent from duty for a whole month. The latter condition for the payment of the allowance is not applicable during leave prior to retirement.**
- 15.2.15 **Presently there is no provision for officers posted in our missions abroad. Decision for the retention of the car for private use in such cases is dealt with on a case to case basis.**
- 15.2.16 **Officers eligible for chauffeur-driven government cars may proceed on mission or on leave for fairly long periods which in certain instances may even exceed six months.**

15.2.17 It is observed that the present regulations bear certain weaknesses in that they do not differentiate between leave with pay and leave without pay and do not set a limit in terms of time that officers can proceed on leave and still benefit from the private use of the official car.

15.2.18 There is need, therefore, to redefine the policy to address these weaknesses.

**Recommendation 3**

15.2.19 We therefore recommend that:

- (i) officers entitled to chauffeur-driven government cars be allowed to retain responsibility of the car while on mission or leave with pay for a period of up to six months. This recommendation should also apply to eligible officers posted in our missions abroad; and
- (ii) requests for the retention of government cars by officers posted in missions abroad and officers proceeding on leave with pay for the period in excess of six months be considered by the High Powered Committee on a case to case basis.

---

---

**100% Duty Remission to Officers Eligible for Chauffeur-Driven Government Car for the Purchase of a Car for Private Use**

15.2.20 Further to representations from officers eligible for chauffeur-driven cars that due to their professional commitments, the government car is not available for private use by the other members of their family, the Bureau recommended that the High Powered Committee should look into the issue of allowing officers who benefit from the exclusive use of a chauffeur-driven government car to purchase a car on which 100% customs duty is remitted. This provision is being maintained.

**Recommendation 4**

**15.2.21 We recommend that the High Powered Committee should continue to look, on a case to case basis, into the issue of allowing beneficiaries of chauffeur-driven government car to purchase another car on which 100% customs duty would be remitted.**

**Allocation of Cars to Officers Appointed in a Temporary Capacity**

**Chauffeur-Driven Government Cars**

15.2.22 Presently an officer appointed in a **temporary capacity** in a post carrying the benefit of a chauffeur-driven government car is provided with a government/organisation car from the pool both for official travelling and for private use. The officer is also allowed to have recourse to the services of a driver from the organisation, if available. The present arrangements are adequate.

**Recommendation 5**

**15.2.23 We recommend that the present arrangements for allocation of cars to officers appointed in a temporary capacity be maintained subject to the provisions of paragraph 15.2.13 as regards the services of a driver.**

**Allocation of Chauffeur-Driven Cars to Officers Appointed in an Acting Capacity**

15.2.24 An officer appointed in an acting capacity is not entitled to the car benefit of the post in which he is acting.

15.2.25 Acting appointment/assignment of duties is made for administrative convenience and is not always made on the basis of selection/seniority. The period of actingship/assignment of duties may range from a few days to several months and in exceptional circumstances for a year or more.

15.2.26 It would not, therefore, be fair to grant the benefit of an official car to all concerned officers indiscriminately. However, there may be a case for the grant of some benefit to officers

acting/assigned duties in the position of an Accounting/Responsible Officer vice vacancies or temporary vacancies which would become permanent or vice substantive officer proceeding on leave with pay or on mission for a period exceeding one year, provided the actingship/assignment of duties has been made on the basis of seniority or selection by the relevant Service Commissions or Board.

**Recommendation 6**

15.2.27 (i) We recommend that officers in an acting capacity should continue to be eligible exclusively to the car benefits of their substantive posts subject to the exceptions at sub paragraphs (ii) and (iii) below.

(ii) We recommend that an officer appointed to act or assigned duties in a position of an Accounting/Responsible Officer carrying a monthly salary of Rs 47500 and above may exceptionally be granted the use of an organisation car, if available, provided the actingship/assignment has been made on the basis of seniority or selection by the relevant Service Commissions or Board:

(a) vice vacancies or temporary vacancies which would become permanent;

**OR**

(b) vice an officer in a substantive capacity who would proceed on leave with pay or on mission for a period exceeding one year.

An officer appointed to act in a position of an Accounting/Responsible Officer carrying a monthly salary of Rs 47500 and above may also be granted the services of a driver of the organisation or a driver from the relevant pool of drivers, if available, subject to the approval of the High Powered Committee.

(iii) We further recommend that the High Powered Committee may consider extending the recommendations at (ii) to an officer acting in a grade carrying a monthly salary of at least Rs 47500, though not in an Accounting/Responsible position, on a case to case basis.

**Retention of Chauffeur-Driven Cars by Officers Assigned the Duties at the level of Permanent Secretary and above**

15.2.28 Officers of the level of Principal Assistant Secretary and above, who are assigned the duties of the post of Administrator, Office of the President and Secretary, Public and Disciplined Service Commissions, are provided with a chauffeur-driven car both for official travelling and for private use, although they are paid a pensionable allowance to bring their salary to Rs 37500. If the



officers retire in the capacity of Administrator, Office of the President or Secretary, Public and Disciplined Service Commissions, the allowance and the benefit of the private use of the car are considered in the computation of their pension.

- 15.2.29 However, if officers in the above posts are appointed in an acting capacity to posts carrying the benefit of chauffeur-driven car, they have to return the car allotted to them to their organisation. There is need for some provisions to cater for officers in this situation.

#### **Recommendation 7**

- 15.2.30 We recommend that officers assigned the duties of the posts of Administrator, Office of the President and Secretary, Public and Disciplined Service Commissions and who are subsequently appointed in an acting capacity in a grade carrying the benefit of a chauffeur-driven/official car, may be allowed to retain their car or be provided with a car from the pool until their substantive appointment. Such officers may also be granted the services of a driver from the organisation or from a relevant pool of drivers, or a monthly allowance in lieu thereof.**

#### **Beneficiaries of Chauffeur-Driven Government Car Re-employed on Contract**

- 15.2.31 Presently officers eligible for a chauffeur-driven government car are allowed at the time of retirement to purchase the official car allotted to them or to opt to purchase a new car of up to the appropriate engine capacity with full duty remission. Some officers in this category are re-employed on contract basis in the Public Sector and may be eligible for a chauffeur-driven government car by virtue of the salary and status of the post. In our 1998 Report we recommended that an officer who has purchased at the time of retirement the chauffeur-driven car allocated to him or a new car on which 100% customs duty is remitted and who is subsequently employed on a contract basis should not be allowed to purchase another chauffeur-driven or duty-free car within a period of five years. In order to prevent several purchases of cars by officers in a short lapse of time, the present regulation should be maintained.

#### **Recommendation 8**

- 15.2.32 We recommend that an officer, who has already purchased the chauffeur-driven/official car or a new duty-free car in lieu thereof and who is subsequently employed on a new contract qualifying for another chauffeur-driven/official car or a new duty-free car should not be allowed to purchase another chauffeur-driven/official or duty-free car within a period of five years from the date the previous car was purchased.**

#### **Self-Driven Official Cars**

- 15.2.33 Officers occupying position of Chief Executives of Parastatal Organisations and other Statutory Bodies and Local Authorities and Responsible and Accounting Heads of Departments in the Civil Service drawing a monthly basic salary of Rs 32470 benefit from the exclusive use of a self-driven government car, both for their official duties and for their private use. The provisions regarding the benefits related to the self-driven government car are dealt with by the High Powered Committee. These officers are eligible for a monthly petrol allowance of Rs 2820.
- 15.2.34 Such officers are allowed to opt for the purchase of a car on which 100% customs duty is remitted and the engine capacity of the car should not be more than that of the self-driven car to which they are entitled. They are granted loan facilities equivalent to 18 months' salary at interest rate of 7.5% per annum refundable in 60 monthly instalments. The car is renewable every five years. Officers who opt to purchase a duty remitted car, are entitled to a monthly travelling allowance of Rs 6030 or mileage at the rate of Rs 6.35 per km for the first 800 km and Rs 2.65 for over 800 km. Officers who during a whole calendar month are on approved leave either locally or abroad or on study leave with pay or on official mission are eligible to a monthly commuted allowance of Rs 3420.
- 15.2.35 The self-driven government car scheme was introduced in 1998, as part of the total package for officers drawing salary of Rs 32470 and operating as Chief Executives of Parastatal Bodies/Responsible and Accounting Heads of Departments. The scheme is maintained with appropriate modifications as regards the salary level of beneficiaries.

**Recommendation 9****15.2.36 We recommend that:**

- (i) **Responsible and Accounting Officers of Departments/Chief Executives drawing monthly salary of Rs 45000 should continue to benefit from the exclusive use of a self-driven government car, both for their official duties and their private use. The provisions related to the benefits of the self-driven government car such as engine capacity, renewal period, and petrol allowance should continue to be looked into by the High Powered Committee.**
- (ii) **Officers may opt, in lieu of the self-driven official car, to purchase a car on which 100% customs duty would be remitted provided the engine capacity of the car should not exceed that of the official car to which the officer is entitled and benefit from loan facilities equivalent to 18 months' salary at 7.5% interest rate per annum refundable in 60 monthly instalments. The car may be renewed every five years or as may be determined by the High Powered Committee.**

- (iii) **Officers in this category may on retirement opt to purchase the self- driven car on such terms and conditions as may be determined by the High Powered Committee or to purchase a new car with petrol engine of up to 1600 c.c. on which customs duty would be remitted.**
- (iv) **Officers who opt to purchase a duty remitted car:**
  - (a) **would be entitled to travelling benefits as laid down at paragraph 15.2.48 (iv) and (v); and**
  - (b) **would, upon renewal of their car at the expiry of five year period, be eligible for loan facilities equivalent to 15 months' salary at interest rate of 7.5% a year refundable in 48 monthly instalments.**

**Recommendation 10**

**15.2.37 We also recommend that officers, drawing a monthly salary of Rs 40000 and up to Rs 45000 as well as those drawing salary in a scale the maximum of which is not less than Rs 40000 -**

- (i) **should be allowed to purchase a 100% duty remitted car with petrol engine of up to 1600 c.c. once every five years;**
- (ii) **should be eligible to loan facilities equivalent to 18 months' salary at interest rate of 7.5% a year refundable in 60 monthly instalments for a first purchase;**
- (iii) **should be eligible for loan facilities equivalent to 15 months' salary at interest rate of 7.5% a year refundable in 48 monthly instalments for renewal of their car at the expiry of a five year period, subject to the provisions governing change in entitlement of car benefits; and**
- (iv) **should be entitled to travelling benefits as laid down at paragraph 15.2.48 (iv) and (v) for using their cars to attend duty and/or for official travelling.**

**Retention and Allocation of Self-Driven Government Cars while on Leave With Pay/ Mission**

**15.2.38 As the self-driven government cars form part of the total pay and benefit package of the concerned officers and are meant both for official travelling and for private use, there is a case for officers proceeding on leave with pay to retain the official car. However, the duration of leave with pay should be defined.**

**Recommendation 11**

**15.2.39 We therefore recommend that:**

- (i) officers entitled to self-driven government cars be allowed to retain responsibility of the car while on mission and/or leave with pay for a period of up to six months; and
- (ii) request for retention of the self-driven government car by officers proceeding on mission or leave with pay for the period in excess of six months be considered on a case to case basis by the High Powered Committee.

#### Allocation of Cars to Officers Appointed in Temporary Capacity

15.2.40 Officers appointed in a temporary capacity in posts carrying the benefit of a self- driven government car are provided with government/organisation car from the pool both for official travelling and for private use. The present arrangements are adequate.

#### Recommendation 12

**15.2.41 We recommend that the present arrangements for allocation of cars to officers appointed in a temporary capacity in posts carrying the benefit of a self-driven car be maintained.**

#### Allocation of Cars to Officers Appointed in an Acting Capacity

15.2.42 Acting appointment/assignment of duties is made for administrative convenience and is not always made on the basis of selection/seniority. The period of actingship/assignment of duties may range from a few days to several months and in exceptional circumstances for a year or more.

15.2.43 It would not therefore be fair to grant the benefit of an official car to all concerned officers indiscriminately. However, there may be a case for the grant of some benefit to officers acting/assigned duties in the position of a Chief Executive/Responsible/Accounting Officer vice vacancies or temporary vacancies which would become permanent or vice officers in substantive posts who would proceed on leave with pay or on mission for a period exceeding one year, provided the actingship/assignment of duties has been made on the basis of seniority or selection by the relevant Service Commissions or Board.

#### Recommendation 13

**15.2.44 We recommend that an officer appointed to act or assigned duties in a position of Chief Executive/Responsible/Accounting Officer carrying a monthly salary of Rs 45000 may exceptionally be granted the use of an organisation car, if available, provided the actingship/assignment has been made on the basis of seniority or selection by the relevant Service Commissions or Board:**

- (a) vice vacancies or temporary vacancies which would become permanent and would in normal circumstances be followed by substantive appointment;

**OR**

- (b) vice officers in substantive posts who would proceed on leave with pay or on mission for a period exceeding one year.

**Duty Free Facilities and Engine Capacity of Cars**

15.2.45 The car benefits of officers eligible for duty deferred facilities are specified along with engine capacity of car. **Wherever mention is made to the effect that an officer is eligible for the purchase of a car with petrol engine of a designated capacity, he may opt for its corresponding diesel equivalent.**

**100% Duty Remission on Car**

15.2.46 Officers drawing monthly salary of Rs 20270 up to Rs 28870 and Medical and Health Officers/Senior Medical and Health Officers, Dental Surgeons/Senior Dental Surgeons, District Magistrates, State Counsels, State Attorneys, Quantity Surveyors, Engineers, Architects, Pharmacists and Veterinary Officers are eligible for the following car benefits:

- (i) Loan facilities equivalent to 18 months' salary at 7.5% interest rate per annum refundable in 84 monthly instalments for the first purchase of a car with petrol engine of up to 1400 c.c. or its diesel equivalent on which 100% customs duty is remitted. The car is renewable every seven years.
- (ii) Loan facilities for renewal of cars at the expiry of every seven year period equivalent to a maximum of 12 months' salary at 7.5% interest rate per annum refundable in 60 monthly instalments for the purchase of another duty-free car of up to 1400 c.c. or its diesel equivalent provided any outstanding balance on previous loan is cleared.
- (iii) Officers who opt to purchase a car with petrol engine of up to 1850 c.c. or its diesel equivalent have to pay the customs duty on the difference between the 1400 c.c. engine capacity of the car or its diesel equivalent and a car of up to 1850 c.c. or its diesel equivalent.
- (iv) Officers falling under this category who use their car are paid a monthly travelling allowance of Rs 6030 both for attending duty and for official travelling. However, these officers are allowed to opt for mileage both for official purposes and for attending duty at the rate of Rs 6.35 per km for the first 800 km and Rs 2.65 per km for over 800 km.
- (v) Officers who, during a whole calendar month, are on approved leave with pay either locally or abroad, on study leave with pay or on official mission are eligible to a monthly commuted allowance of Rs 3420.

15.2.47 The 100% duty remitted car scheme which has been in operation for over 15 years has been an incentive to attract and retain professionals in the Public Sector and is being maintained.

**Recommendation 14**

15.2.48 We recommend that officers drawing a monthly salary of Rs 28000 and up to Rs 39000 as well as Medical and Health Officers/Senior Medical and Health Officers, Dental Surgeons/Senior Dental Surgeons, District Magistrates, State Counsels, State Attorneys, Quantity Surveyors, Engineers, Architects, Planners, Pharmacists and Veterinary Officers be:

- (i) eligible for 100% duty remission and loan facilities equivalent to 18 months salary at 7.5% interest rate per annum refundable in 84 monthly instalments for the first purchase of a car with petrol engine of up to 1500 c.c., renewable once in every seven years;
- (ii) eligible for loan facilities up to a maximum of 15 months' salary at interest rate at 7.5% per annum refundable in 60 monthly instalments for the subsequent purchase of a duty remitted car with petrol engine of up to 1500 c.c., provided any outstanding balance on previous loan is cleared;
- (iii) allowed to purchase a car with petrol engine of up to 1850 c.c. provided customs duty is paid on the difference between the car of 1500 c.c. petrol engine capacity and a car with petrol engine of up to 1850 c.c.;
- (iv) paid a monthly travelling allowance of Rs 6200 both for attending duty and for official travelling;

**OR**

mileage at the rate of Rs 2.95 per km for both official purposes and for attending duty together with a car allowance of Rs 2880 a month; and

- (v) paid a monthly commuted allowance of Rs 3500 if during a whole calendar month the officer was on approved leave either locally or abroad, on study leave with pay or on official mission.

**Duty Remission to Officers on Temporary Appointment**

15.2.49 Officers on the permanent and pensionable establishment drawing a monthly salary of Rs 20270 up to Rs 28070 as well as Medical and Health Officers/Senior Medical and Health Officers, Dental Surgeons/Senior Dental Surgeons, Magistrates, State Counsels, State Attorneys etc., are granted 100% customs duty remission for the purchase of a car of 1400 c.c. engine capacity or its diesel equivalent.

15.2.50 Such officers when appointed in a temporary capacity have to wait till their substantive appointment in order to benefit from the 100% duty remission for the purchase of a car. Both to

facilitate recruitment and for efficient operations, it would be fair that duty remission be extended conditionally to these officers during their temporary service.

#### **Recommendation 15**

**15.2.51** We recommend that officers appointed in a temporary capacity to a higher post carrying salary of Rs 28000 up to Rs 39000 monthly as well as Medical and Health Officers/Senior Medical and Health Officers, Dental Surgeons/Senior Dental Surgeons, District Magistrates, State Counsels, State Attorneys, Quantity Surveyors, Engineers, Architects, Planners, Pharmacists and Veterinary Officers, while appointed in a temporary capacity, would be allowed to purchase a 100% duty remitted car on the same terms and conditions specified at paragraph 15.2.48 (i) and (iii) and be paid travelling allowances for attending duty and for official purposes on the terms and conditions as at paragraphs 15.2.48 (iv) to (v) as is the case for officers appointed in a substantive capacity, provided the temporary appointment, is made vice vacancies which would become permanent.

**15.2.52** We further recommend that in the event the officer leaves the service or is reverted to his former post, proportionate customs duty should be reimbursed if the departure of the officer or the reversion occurs within four years as from the date of the purchase of the duty remitted car.

#### **Duty Remission to Officers Performing Field Duties**

**15.2.53** Officers performing field duties and whose grades are classified in the official list at Annex II of Volume I of the 1998 PRB Report are granted loan facilities every seven years, equivalent to 21 months' salary at interest rate of 7.5% per annum, refundable in 84 monthly instalments to purchase a car with petrol engine of up to 1400 c.c. or its diesel equivalent on which 60% customs duty is remitted. These officers are allowed to purchase an imported second hand reconditioned car of up to four years old with petrol engine capacity not exceeding 1400 c.c. or its diesel equivalent but duly certified by the government source in the exporting country as being in good running order and are entitled to mileage for official travelling at approved rates.

**15.2.54** Eligible officers are allowed to renew their cars at the expiry of the seven year period and benefit from similar duty remission and loan facilities up to a maximum of 15 months' salary at 7.5% interest rate per annum refundable in not more than 60 monthly instalments for the subsequent purchase of a car with petrol engine of up to 1400 c.c. or its diesel equivalent.

#### **Survey of Travelling**

**15.2.55** The Bureau has recently conducted a survey on Travelling in respect of officers who are required to use their private cars for the performance of field duties, although they have never benefited



from any duty exemption for the purchase of a car. The objective of this survey has been to determine new cases that satisfy the criteria for eligibility for duty remission. In the light of the survey and representations received we have updated the list of grades qualifying for duty remission. We have also brought appropriate modifications to render the scheme equitable in relation to the Rs 100000 customs duty exemption scheme while at the same time setting a limit to the number of duty deferred purchases.

**Recommendation 16**

**15.2.56 We recommend that officers in the grades listed at Annex II of this Volume would be eligible for:**

- (a) **70% customs duty remission for the first purchase of a new car or an imported reconditioned car of up to four years old, subject to prevailing Regulations, duly certified by government sources in the exporting country as being in good running order, with petrol engine of up to 1400 c.c. and loan facilities equivalent to 21 months' salary at 7.5% interest rate, refundable in 84 monthly instalments and mileage at approved rates in respect of official travelling; and**
- (b) **loan facilities equivalent to 15 months' salary with interest rate of 7.5% per annum refundable in 60 monthly instalments for the renewal of a car after a period of seven years.**

**Recommendation 17**

**15.2.57 We also recommend that officers in the grades listed at Annex II be eligible to duty remission up to a maximum of four times under the provision at paragraph 15.2.56 (a) and (b) above. This maximum would not apply where an officer becomes eligible for 100% duty remission by virtue of salary or promotion.**

**15.2.58 We further recommend that:**

- (a) **officers in grades listed at Annex II who wish to purchase a car with petrol engine of up to 1850 c.c., should pay customs duty on the difference between a 1400 c.c. petrol engine car and a car with petrol engine of up to 1850 c.c.; and**
- (b) **an officer who is eligible for 70% duty remission on a car, subsequently qualifies for 100% duty remission and opts to retain his car and takes advantage of the refund of duty, eligibility for renewal of the car should be either seven years as from the date the duty was refunded OR when the car is nine years old.**

**Duty Remission to Officers other than Field Workers**

15.2.59 Besides field officers who are performing extensive field duties, 60% duty remission has also been granted to officers proceeding on retirement after 25 years of service, drawing a salary of not less than Rs 16070 a month and who have never benefited from any duty remission for the purchase of a car.

15.2.60 It has been submitted that the duty remission would best serve the interest of the employer as well as the officer if such benefit was granted while officers are still in service.

15.2.61 The Bureau is agreeable to this submission.

**Recommendation 18**

15.2.62 We recommend that an officer who has never benefited from duty remission for the purchase of a car but in receipt of a monthly salary of Rs 21600 and above should be allowed to purchase once a 70% duty remitted car on the same terms and conditions as at paragraphs 15.2.56 (a) and 15.2.58 (a) provided the officer is aged 53 years and above and reckons at least 22 years service.

15.2.63 We also recommend that officers, though less than 53 years old, but drawing either a monthly salary of Rs 27200 or a salary of Rs 22400 or more in a salary scale the maximum of which is not less than Rs 30000 and who have never benefited from duty remission on a car should be eligible once for the purchase of a 70% duty remitted car on the same terms and conditions as at paragraphs 15.2.56 (a) and 15.2.58 (a) provided any outstanding loan on previous purchase of car is reimbursed.

15.2.64 We further recommend that an officer in the categories referred to at paragraphs 15.2.62 and 15.2.63 above would be eligible to the car benefit only once during his career. Such an officer may be eligible to duty deferred facilities again only by virtue of eligibility through promotion or on reaching salary point Rs 28000 subject to the appropriate provisions. However, the grant of an increment in the master salary scale up to salary point Rs 28000 or more, by virtue of provisions at paragraphs 1.33 (v) to (vii), shall not qualify an officer to any additional duty deferred facility.

**Duty Free Double Cabin Pick Up in Lieu of Partial Duty Remitted Cars**

15.2.65 In our 1998 Report, we made provision for 100% customs duty remission on purchase of 4 x 4 vehicle by officers who have to travel regularly on rocky, sloppy and untarred roads, such as

officers who are dealing with inspection/research work in agricultural plots located in remote areas.

15.2.66 We have received representations that the 4 x 4 double cabin pick ups are relatively expensive and 2 x 4 double cab pick ups are also suitable and more sturdy than the saloon cars which cannot be used on rocky roads.

15.2.67 In view of the foregoing we are extending the provisions to include 2 x 4 double cabin pick ups as well.

#### **Recommendation 19**

**15.2.68 We therefore recommend that field officers eligible for 70% duty remission for the purchase of a car, and who have to travel regularly on sloppy, rocky and uneven roads to get access to site of work, may opt to purchase a 2 x 4 OR a 4 x 4 double cabin pick up on which customs duty would be remitted. This recommendation would continue to be applicable for genuine cases as certified by the Supervising Officer.**

#### **Duty Remission Scheme of Hundred Thousand Rupees**

15.2.69 Some officers by virtue of their posting are required to perform official travelling on a regular basis. In this context a new duty-free car scheme was recommended in the Errors, Omissions and Clarifications of the 1998 PRB Report to allow eligible individual officers:

- (i) to purchase a new car or an imported second-hand car (up to four years old) with petrol engine of up to 1400 c.c. or its diesel equivalent on which customs and excise duty is remitted up to a maximum of Rs 100000; and
- (ii) to benefit from car loan facilities up to a maximum of 21 months' salary at interest rate of 7.5% per annum refundable in 84 monthly instalments.

15.2.70 Subsequently a committee chaired by the Financial Secretary and comprising the Director of Pay Research Bureau and the Permanent Secretary of the Ministry of Civil Service Affairs and Administrative Reforms evolved appropriate criteria for determining eligibility for the grant of duty exemption under the scheme.

15.2.71 As activities related to the control of expenditure/revenue/utilisation of stores or monitoring of execution of developmental or social integration projects are ongoing in Ministries/Departments, individual officers in certain grades are still entrusted with duties in relation to such activities and this requires them to travel by car on a regular basis. The scheme for the Rs 100000 duty remission is therefore being maintained.

**Recommendation 20**

**15.2.72** We recommend that the present provisions of Rs 100000 duty remission scheme be maintained.

**Terms and Conditions Governing Duty Remission on Promotion**

**15.2.73** An officer who has already benefited from 100% duty remission on promotion to posts carrying the benefit of either a chauffeur-driven government car or a self-driven car is allowed to retain his duty remitted car and take advantage of the chauffeur-driven government car or the self-driven government car without having to reimburse proportionate customs duty even if the car was purchased within four years as from the date of promotion. The present provisions relating to promotion with enhanced car benefits are being maintained.

**Recommendation 21**

**15.2.74** We recommend that an officer who has purchased a 100% duty remitted car and is subsequently promoted to a grade carrying the benefit of a chauffeur/self-driven government car within four years as from the date of purchase, should continue to be exempted from reimbursement of proportionate customs duty on his car subject to the provision at paragraph 15.2.77 (ii).

**Use of Duty Remitted Car**

**Recommendation 22**

**15.2.75** We recommend that officers who have benefited from duty remission as laid down at paragraphs 15.2.48 (i), 15.2.56 (a), 15.2.62 and 15.2.63 for the purchase of a car should strictly use same for official travelling.

**Changes in Entitlement of Car Benefits**

**Recommendations 23**

**15.2.76** We recommend that:

- (i) an officer who has purchased a car on which duty has been partly remitted and who is subsequently promoted to a grade carrying the benefit of 100% duty remission should be allowed either to retain his car and be refunded proportionate duty, if any, thereon as from the date he is eligible for 100% duty remission or to purchase a new car as per provisions of paragraph 15.2.48 (i) provided he reimburses the outstanding car loan and pays proportionate duty, if any, on the previous duty remitted car.

- (ii) an officer who has already purchased a 1400 c.c. or 1500 c.c. duty-free car and subsequently qualifies for a 1600 c.c. duty-free car:
  - (a) should be allowed to retain his car or purchase a new car on the same terms and conditions as laid down at paragraphs 15.2.37 (i) and (ii) provided he reimburses the outstanding car loan and pays the proportionate customs duty, if any, on the duty remitted car purchased previously;
  - (b) should be allowed to renew the car, only after five years have elapsed as from the date he was refunded duty or when the car is aged seven years or more, if he had opted to retain the 1400 c.c. or 1500 c.c. engine car and took advantage of refund of proportionate duty;
- (iii) an officer eligible for a 1600 c.c. car, who opts to purchase a car with petrol engine of up to 1850 c.c., should pay the customs duty on the difference between a 1600 c.c. petrol engine car and a 1850 c.c. petrol engine car; and
- (iv) an officer who has purchased a car of up to 1850 c.c. and has paid customs duty on the difference between a 1400 c.c. or 1500 c.c. car and a car of up to 1850 c.c., should, if he opts to retain the car on qualifying for a 1600 c.c. car, be refunded proportionate customs duty, if any, thereon as from the date he qualifies for a 1600 c.c. car.

**Recommendation 24**

**15.2.77** We further recommend that:

- (i) an officer proceeding on retirement at the age of 50 and above to whom a 100% duty exemption certificate has been granted, would not be allowed to utilise same six months after the effective date of retirement; and
- (ii) an officer who has purchased a duty remitted car should pay proportionate duty if the car is sold within four years as from the date of purchase in accordance with section 4 and 5 of the Customs Tariff Act (Revised Law 1981 Vol. 2);

**Recommendation 25**

15.2.78 We also recommend that an officer drawing a monthly salary of less than Rs 28000 with this Report but who would have qualified as at 1 July 2003 or 1 July 2004 for 100% duty remission on a car with petrol engine of up to 1400 c.c. should be allowed to benefit from 100% duty remission and loan facilities on the same terms and conditions as at paragraphs 15.2.48 (i) to (iii) and be paid travelling allowances on the same terms and conditions as at paragraphs 15.2.48 (iv) and (v), on a personal basis, as from 1 July 2003 or 1 July 2004 whichever would be applicable.

**Duty Remission of 70% Customs Duty and Duty Remission Scheme of Rs 100000**

15.2.79 In certain instances, the partial customs duty exemption on a car allowed to a beneficiary might be less advantageous in comparison to the Rs 100000 duty exemption to eligible individual officers.

**Recommendation 26**

15.2.80 For equity and fairness, we recommend that field officers whose grades are listed at Annex II of this Report should benefit from 70% duty remission on a car or Rs 100000 duty exemption, whichever is the higher.

**Travel Grant**

**Recommendation 27**

15.2.81 We recommend that:

- (i) Officers, except for those who qualify for travelling allowance/mileage as at paragraphs 15.2.48 (iv) and (v), drawing a monthly salary of Rs 19400 up to Rs 27200 and using their car to attend duty should be paid a monthly travel grant of Rs 4200.
- (ii) Officers entitled to a travel grant only and who during a whole calendar month are on approved leave, inclusive of study leave with pay, official mission and school holidays during which attendance at work is not required, should be paid a monthly commuted allowance of Rs 2400.
- (iii) Officers who are already eligible or would have been eligible for a travel grant on 1 July 2003 or 1 July 2004, but with this Report would not qualify for same as from those dates, should be entitled, on a personal basis, for a travel grant/monthly commuted allowance as at paragraphs (i) and (ii) above as from 1 July 2003 or 1 July 2004 whichever would be applicable.

- (iv) Officers drawing a salary of Rs 18800 a month and who are not eligible for a travel grant, under sub paragraph (iii) above, should be paid a commuted travelling allowance of Rs 1000 a month or be refunded bus fares, whichever is the higher.

**Refund of Travelling to Officers Performing Field Duties by Car and Entitled for Travel Grant**

**Recommendation 28**

15.2.82 We recommend that:

- (i) Officers in receipt of travel grant should compulsorily use their car for official travelling.
- (ii) Officers in receipt of travel grant and performing official travelling should be paid:

either

a monthly travel grant of Rs 4200

OR

a monthly commuted allowance of Rs 2880 together with mileage for attending duty and for official travelling at the rate of Rs 2.95 per km.

---

---

**Travelling Benefits during Pre-Retirement Leave**

**Retention of Car and Petrol Allowance**

15.2.83 Officers eligible for a chauffeur-driven government car or a self-driven government car are allowed to retain the car and are paid the full monthly petrol allowance during the pre-retirement leave without having to attend duty for a single day in a calendar month.

**Recommendation 29**

**15.2.84 We recommend that beneficiaries of a chauffeur-driven/self-driven government car should be allowed as at present to retain the car and be paid the full monthly petrol allowance during their pre-retirement leave.**

**Commuted Travelling Allowance/Travel Grant during Pre-retirement Leave**

15.2.85 Officers who are in receipt of commuted travelling allowance/travel grant have to attend duty at least one day in a calendar month to benefit from such allowance. Officers in this category tend to plan their pre-retirement leave in order to draw the maximum car benefit instead of the monthly commuted travelling allowance provided to officers on approved leave during the whole calendar month. This practice affects adversely the smooth running of the service and impedes succession planning.

15.2.86 To address this situation we are providing for the payment of the full benefit without the need for the officer to attend duty during his pre-retirement leave.

**Recommendation 30**

**15.2.87 Officers entitled to a monthly commuted travelling allowance of Rs 6200 or a monthly travel grant of Rs 4200 should be paid the full amount, irrespective of whether they attend duty or not, during their pre-retirement leave.**

**Car Loan to Officers not Entitled to Duty Remission**

15.2.88 (i) Presently officers in receipt of a monthly salary of Rs 14470 and up to Rs 19670, and not entitled to duty remission, benefit from loan facilities up to a maximum of 21 months' salary at interest rate of 7.5% per annum refundable in 84 monthly instalments for the purchase of a car.

(ii) Individual officers (irrespective of their grades) who, where desirable and expedient, are called upon by the Supervising Officers to perform official travelling by car from time to time on a regular basis, are granted loan facilities up to a maximum of 21 months' salary at interest rate of 7.5% per annum refundable in 84 monthly instalments for the purchase



of a car of up to seven years, subject to the approval of their Supervising Officer. These officers are not entitled to any duty remission for the purchase of a car.

**Recommendation 31**

**15.2.89 We recommend that:**

- (i) **officers drawing a monthly salary of Rs 19400 and up to Rs 27200, except for those eligible for duty remission on cars as laid down at paragraphs 15.2.56(a), 15.2.62 and 15.2.63, should continue to be eligible for loan facilities up to a maximum of 21 months' salary at interest rate of 7.5% per annum refundable in 84 monthly instalments for the purchase of a car of up to eight years old;**
- (ii) **individual officers irrespective of their grades who are called upon to perform official travelling by car from time to time on a regular basis may be granted, subject to the approval of the Supervising Officer, loan facilities up to a maximum of 21 months' salary at interest rate of 7.5% per annum refundable in 84 monthly instalments for the purchase of a car of up to eight years old.; and**
- (iii) **individual officers drawing a salary of Rs 15000 or more and who have to attend duty on a fairly regular basis at such hours when public transport and/or official transport is not available may be granted, subject to the approval of their Supervising Officers, loan facilities to purchase a car on the same terms and conditions as at paragraph (ii) above.**

**Loan for the Purchase of a Motorcycle to Officers not Entitled to Duty Remission**

15.2.90 Individual officers (irrespective of their grades) required to attend duty on a fairly regular basis at such time public transport and/or official transport is not available, are, subject to the approval of their Supervising Officers, granted loan facilities up to a maximum of 15 months' salary refundable in not more than 84 monthly instalments at interest rate of 7.5% per annum for the purchase of an autocycle or a motorcycle with petrol engine of up to 150 c.c. These officers are not entitled to duty remission on the autocycle/motorcycle.

15.2.91 Representations have been received for the extension of loan facilities equally to officers who have to attend different sites of work on the same day in the performance of their duties.

15.2.92 We have carefully considered these representations and are of the view that loan facilities should equally be extended to such category of officers.

**Recommendation 32**

**15.2.93** We recommend that individual officers drawing salary in a scale the maximum of which is not less than Rs 10300 a month and who are required to attend duty on a fairly regular basis at such time public transport and/or official transport is not available, as well as officers who have to attend different sites of work on the same day in the performance of their duties, may be granted, subject to the approval of their Supervising Officers, loan facilities up to a maximum of 15 months' salary at interest rate of 7.5% refundable in not more than 84 monthly instalments for the purchase of an autocytle or motorcycle with petrol engine of up to 150 c.c. .

#### **Renewal of Car Loan to Officers not entitled to Duty Remission**

**15.2.94** Officers not entitled to duty remission but eligible for loan facilities are allowed to purchase cars of up to seven years old. Renewal of the car is allowed every seven years or when the car is 10 years old, provided any outstanding balance on previous loan is cleared. Loan facilities for renewal of the car is of a quantum equivalent to 15 months' salary of the officer refundable in 60 monthly instalments. Representations have been received for the extension of the age of the car such that officers may be given the opportunity to purchase cars of up to eight years old instead of seven years as at present. We are agreeable to this.

#### **Recommendation 33**

**15.2.95** We recommend that:

- (a) eligible officers be entitled to loan facilities for the purchase of a car of up to eight years old. The car can be renewed after seven years have elapsed as from the date of purchase or when the car has reached 11 years as from its date of first registration, whichever is earlier, provided any outstanding balance on previous loan is cleared; and
- (b) loan facilities for renewal of car should be up to a maximum of 15 months' salary at interest rate of 7.5% per annum refundable in 60 monthly instalments.

#### **Payment of Travelling by Car to Officers not in Receipt of a Travel Grant**

- 15.2.96**
- (i) Officers not in receipt of a travel grant and who perform official travelling by car are paid mileage for distance between office and site of work as follows:
    - (a) Rs 6.35 per km for the first 800 km and
    - (b) Rs 2.65 per km for over 800 km
  - (ii) Officers not eligible for travel grant are refunded, on days on which they have to use their car for official travelling, the running costs for the distance not considered as

official mileage (residence to office), at the rate of Rs 2.65 per km and mileage for official travelling on distance between office and site of work, or for official travelling by the most economical route.

**Recommendation 34**

**15.2.97 We recommend that:**

- (i) **the mileage rates for official travelling for officers not eligible for travel grant should be revised to Rs 6.55 per km for the first 800 km and Rs 2.95 per km for over 800 km.; and**
- (ii) **Officers not eligible for travel grant should continue to be refunded, for days on which they are required to carry out field duties, the running costs for distance which is not considered as official mileage (residence to office) at the rate of Rs 2.95 per km and mileage for official travelling on distance between office and site of work or for the official travelling by the most economical route at approved rates.**

**Official Mileage on a Financial Year Basis**

15.2.98 Normally refund of travelling for **official mileage** (for field duties) is made at the rate of Rs 6.35 for the first 800 km and at the rate of Rs 2.65 for official mileage in excess of 800 km on a month to month basis.

15.2.99 However, the quantum of official mileage varies according to the fluctuations in volume of field duties and therefore occasionally officers perform official travelling on total distances of less than 800 km over a month. On the other hand, the same officer sometimes covers total distance of over 800 km over a month. Provisions exist to the effect that mileage for official travelling be recomputed on a financial year basis for fairness. The refund of mileage computed on a month to month basis has to be revised in accordance with the provision of the Personnel Management Manual to the effect that in any financial year an aggregate of 9600 km should be computed at the higher rate and the balance at the lower rate.

**Recommendation 35**

**15.2.100** We recommend that official mileage performed by field officers in respect of official travelling in any financial year should be recomputed at the rate of Rs 6.55 per km for the first 9600 km and Rs 2.95 for mileage in excess of 9600 km and reimbursement, if any, be made to eligible officers.

**Officers Performing Field Duties by Autocycle or Motorcycle**

- 15.2.101 Field staff classified under the official list as at Annex III of Volume I of the 1998 PRB Report are granted duty remission and loan facilities for the purchase of an autocycle of up to 50 c.c. or a motorcycle of up to 150 c.c. at interest rate of 7.5% per annum. The quantum of the loan is equivalent to the duty free price of an autocycle or motorcycle and should not exceed 15 months' salary refundable in 84 monthly instalments.
- 15.2.102 Officers are allowed to renew their autocycle/motorcycle after seven years as from the date of purchase and are entitled to loan facilities and duty remission on the same terms and conditions as for their first purchase.
- 15.2.103 Officers who are eligible for duty free motorcycle/autocycle but in receipt of salary of Rs 9270 or more monthly are, however, allowed to opt for loan facilities of up to 21 months' salary at interest rate of 7.5% per annum, refundable in 84 monthly instalments for the purchase of a car of up to seven years old without duty remission.
- 15.2.104 Officers using their auto/motorcycles to attend duty are refunded on days on which they are required to carry out field duties, the running costs for distance which is not considered as official mileage i.e. from residence to office, at the rate of Rs 1.15 per km for motorcycles and 90 cents per km for autocycles or are refunded travelling by bus, whichever is higher.
- 15.2.105 The mileage rates for motorcycles and autocycles for official travelling are Rs 1.90 and Rs 1.55 respectively.

**Recommendation 36**

**15.2.106 We recommend that:**

- (i) the existing provisions for the grant of loan facilities for the purchase of autocycle/motorcycle be maintained;
- (ii) the updated list of grades at Annex III should be considered to be the official one for eligibility for duty remission;
- (iii) officers who are eligible for duty remission on autocycle/motorcycle and in receipt of a monthly salary of Rs 12200 and above or are drawing salary in a scale the minimum of which is not less than Rs 8200 or who would have been entitled as at 1 July 2003 may opt for loan facilities of up to a maximum of 21 months' salary at interest rate of 7.5% per annum refundable in 84 monthly instalments for the purchase of a car of up to eight years old. These officers would not be entitled to any duty remission on the car but would be entitled for refund of mileage for official travelling as at paragraph 15.2.97. The terms and conditions governing the renewal of car loan should be as per provisions of paragraph 15.2.95 (b); and
- (iv) mileage rates for official travelling by motorcycles and autocycles should be revised to Rs 2.00 per km and Rs 1.60 per km respectively.

**Recommendation 37**

**15.2.107 We further recommend that officers using their autocycles/motorcycles to attend duty should be refunded, on days on which they are required to carry out field duties, the running costs for the distance which is not considered official mileage i.e. distance from residence to office, at the rate of Rs 1.00 per km for autocycles and Rs 1.30 per km for motorcycles or be refunded travelling by bus, whichever is higher.**

**Use of Bicycles for Official Travelling**

15.2.108 An officer who uses a bicycle for official travelling is granted a loan equivalent to the price of the bicycle every seven years at the interest rate of 7.5% per annum refundable in 84 monthly instalments.

**Recommendation 38**

**15.2.109 We recommend that the present provisions regarding loan facilities for purchase of bicycle for official travelling be maintained.**

**Official Travelling by Bicycle, Autocycle and Motorcycle**

15.2.110 Officers performing official travelling on autocycles and motorcycles are paid mileage rates as follows:

Autocycle : Rs 1.55 per km

Motorcycle : Rs 1.90 per km

15.2.111 Officers performing official travelling on bicycle are paid a monthly allowance of Rs 100. However, those who have to use their bicycles on bad roads are paid an additional sum of Rs 35 monthly.

The above mileage rate and travelling allowances are being revised.

**Recommendation 39**

**15.2.112 We recommend that the following rates for official travelling should henceforth be applicable:**

**Bicycles : Rs 120 monthly**

**Autocycle : Rs 1.60 per km**

**Motorcycle : Rs 2.00 per km**

**Recommendation 40**

**15.2.113 We further recommend that the monthly allowance payable to an officer using his bicycle on bad roads should be revised to Rs 45 monthly.**

**Refund of Travelling by Bus**

15.2.114 Officers who attend duty by bus are refunded in toto travelling expenses incurred for journeys between their residence and place of work provided the distance is not less than 1.6 kilometres.

- 15.2.115 Officers are refunded their monthly expenses at the rate of:
- (i) 20 days for those working on a five day week basis; and
  - (ii) 24 days for those working on a six day week basis.
- 15.2.116 Officers working on shift and those serving in a temporary capacity are refunded their travelling expenses on the basis of the number of days of attendance. For shift workers, management is allowed, for administrative convenience to work out an appropriate mode of refund of travelling expenses in relation to the average number of working days in a month. The mode of refund is subject to the approval of the Ministry of Civil Service Affairs and Administrative Reforms.
- 15.2.117 Refund of travelling expenses for Primary School Teachers is made at the rate of 15 days a month and for Secondary School Teachers at the rate of 14 days monthly.
- 15.2.118 Officers performing field duties but not eligible for travel grant are refunded travelling of bus fares on days on which they are required to attend office only.

#### **Recommendation 41**

- 15.2.119 We recommend that the present mode of refund of travelling by bus to attend duty should be maintained.**

#### **Attending Duty by other Means of Transport**

- 15.2.120 Some officers use their own means of transport other than car to attend duty and are paid a monthly travelling allowance of Rs 200 or the amount representing refund by bus for attending work during the month, whichever is the higher.

#### **Recommendation 42**

- 15.2.121 We recommend that the monthly travelling allowance payable to officers who use their own means of transport to attend duty be revised to Rs 220 or the amount which would have been refundable by bus for attending work during the month, whichever is the higher.**

#### **Official Travelling by Bus**

- 15.2.122 Officers, who are required to perform official travelling by bus are refunded the costs of bus fares *in toto*.

#### **Recommendation 43**

- 15.2.123 We recommend that the official travelling by bus should continue to be refunded *in toto*.**

#### **Walking Allowance**

- 15.2.124 Certain categories of officers, e.g. Forest Guards, are required to walk during the performance of their duties because their places of work are not accessible by vehicles. These officers are paid a monthly allowance of Rs 90.

**Recommendation 44**

- 15.2.125 We recommend that the walking allowance be maintained and revised to Rs 110. The walking allowance should also be paid to Rodriguan officers whenever applicable.**

**Duty Free Facilities to Advisers/Officers Employed on Contract**

- 15.2.126 The provisions regarding duty remission and loan facilities for purchase of car to Advisers employed on contract basis are, save for a few exceptions, similar to those provisions applicable to public officers on permanent and pensionable establishment. The provisions that are different are as follows: (a) Advisers/Officers employed on contract, are required to furnish adequate security to cover the full amount of the loan contracted; and (b) Senior Advisers on contract are eligible for a duty deferred car instead of a chauffeur-driven car.

- 15.2.127 Whereas the contract of Advisers are generally for less than five years the repayment of loan extends over a period of 84 months. With this situation, compounded by the decision to waive the security requirement sometime back, the Accountant-General submits that it is becoming increasingly difficult to recover outstanding loan from Contract Officers/Advisers when the contract expires or is terminated.

- 15.2.128 In view of the foregoing the Bureau considers that a better option, particularly for short term contracts, can be an allowance for eligible persons in lieu of the duty deferred facilities. Alternatively other arrangements could be made for loan facilities. We are, therefore, making certain changes both to provide for alternative arrangements to make some transitional provisions and to cope with problems arising out of implementation. The options would be subject to negotiation.

**Recommendation 45**

- 15.2.129 We recommend that:**

- (i) **Senior Advisers employed in an advisory capacity at a level corresponding to a Chief Technical Officer of a large Ministry or Chief Executive of a major public sector institution, or above, would be eligible for duty remission for the purchase of a car with petrol engine of up to 1850 c.c.**

**OR**



a car allowance of Rs 4000 a month in lieu thereof

and

be refunded travelling expenses as at paragraph 15.2.48 (iv).

- (ii) Advisers/Officers employed on contract basis and offered salary in the range of Rs 28000 and up to Rs 39000 a month would be eligible for 100% duty remission for the purchase of a car with petrol engine of up to 1500 c.c.

OR

a car allowance of Rs 2050 a month in lieu thereof

and

be refunded travelling expenses as at paragraph 15.2.48 (iv).

- (iii) Advisers/Officers employed on contract who have the option of duty deferred facilities or an allowance in lieu thereof should exercise the option at the beginning of the contract. This option once exercised would be irrevocable for a period of seven years.

#### **Recommendation 46**

**15.2.130** We also recommend that:

- (a) Contract Officers appointed in the capacity of Responsible and Accounting Officer against established posts should continue to be granted the benefit of a chauffeur-driven car and other car benefits as at paragraph 15.2.10 (i) and (ii). However, he would not be allowed to purchase the car allocated to him at the expiry of the contract unless he has served for a continuous period of five years in that capacity. In case the contract officer opts to purchase a duty deferred car in lieu of a chauffeur-driven car, the provisions for loan facilities as per paragraphs 15.2.139 and 15.2.140 would apply.
- (b) A Contract Officer appointed in an executive capacity but not in a Responsible and Accounting position against an established post should continue to be granted the same car benefit as applicable for corresponding grades in the service, except for loan facilities which shall be as per provisions at paragraphs 15.2.139 and 15.2.140.

**Advisers/Officers on Contract Employment Performing Extensive Field Duties**

- 15.2.131 Some Advisers/Officers on contract employment are required to perform extensive field duties depending on their postings and nature of work and therefore the use of a car becomes necessary for greater efficiency in the delivery of the service.

**Recommendation 47**

- 15.2.132 We recommend that Advisers/Officers on contract employment who are not eligible for the purchase of a duty remitted car by virtue of their salary but who are required to perform extensive field duties may, provided they satisfy the conditions laid down for corresponding public officers and subject to the approval of the Committee chaired by the Financial Secretary, be granted:

duty remission of up to Rs 100000 for the purchase of a car with petrol engine of up to 1400c.c.

**OR**

a car allowance of Rs 1190 a month in lieu of the Rs 100000 duty remission

**and**

mileage for official travelling at the rate of Rs 6.55 per km for the first 800 kms and at Rs 2.95 per km for over 800 kms.

**Travel Grant and Loan Facilities**

- 15.2.133 Advisers/Officers on contract employment drawing a monthly salary in the range of Rs 14470 and up to Rs 19670 are paid a monthly travel grant to use their car to attend duty.

**Recommendation 48**

- 15.2.134 We recommend that Advisers/Officers on contract employment drawing a monthly salary in the range of Rs 19400 and up to Rs 27200 a month may be eligible to a monthly travel grant of Rs 4200 for using their cars to attend duty.

**Reimbursement of Customs Duty by Advisers/Officers on Contract Employment**

- 15.2.135 In our 1998 Report, recommendations were made to the effect that officers employed on contract who have benefited from duty exemption on the purchase of cars, had to reimburse proportionate duty whenever their contract comes to expiry or is terminated within four years as from the date of purchase of a duty remitted car. The *ad hoc* Committee set up in July 1999 to look into the alleged anomalies arising out of our 1998 Report waived the provisions regarding the reimbursement of duty.

15.2.136 Contract employment may be of different duration lasting for less than a year to a few years. The grant of duty-free car to eligible officers without any condition for reimbursement on termination/expiry of contract may lead to serious abuse. Further, as duty remission is granted to officers for the purchase of cars, to be used in the performance of their duties, it should be binding on officers employed on contract to reimburse duty whenever the contract is terminated or comes to expiry within a period of four years as from the date of purchase of a car.

**Recommendation 49**

15.2.137 **We recommend that Advisers/Officers on contract employment who have benefited from duty remission on the purchase of cars should reimburse duty on a pro-rata basis whenever their contract is terminated or expires within four years as from the date of purchase of a duty remitted car. This would apply to purchase of cars that would be effected as from 1 July 2003. The Supervising Officer of the Ministry/Department should take steps to inform:**

- (i) **the Advisers/Officers on contract employment of the conditions regarding repayment of outstanding loans and customs duty; and**
- (ii) **the Customs Department of the termination and/or expiry of contract of each beneficiary for the purpose of recovery of customs duty, if any.**

**Loan Facilities for Purchase of Cars**

15.2.138 It has been represented by the Treasury that in many instances recovery of outstanding loans from certain Advisers/Officers employed on contract at the expiry of their contract is a problematic issue. We are making appropriate recommendations for the safeguard of public funds.

**Recommendation 50**

15.2.139 **We recommend that arrangement be made with the SICOM or any other lending institutions for the setting up of a car loan scheme in respect of Advisers/Officers employed on contract. However Advisers/Officers employed on contract and in receipt of a retirement pension from Government should continue to be eligible for loan facilities from the Treasury.**

**Recommendation 51**

15.2.140 **We further recommend that:**

- (i) **pending the introduction of a car loan scheme for Advisers/Officers employed on contract, the Treasury would continue to provide loan facilities subject to the following provisions:**

- (a) the quantum of loan, the mode of refund, the security to be provided and any other conditions related to the grant of loan facilities and its refund should be determined by the Accountant-General on a case to case basis, depending upon the salary drawn by the Adviser/Officer on contract employment, the duration of the contract and the adequacy of the security provided by the beneficiary. In principle, the duration of the loan should not exceed the period of contract.
  - (b) the annual gratuity equivalent to 25% of the salary due to Advisers/Officers on contract employment would only be paid at the expiry of the contract, and not annually, to beneficiaries who have outstanding loan with the Accountant-General. Such amount should be offset against any outstanding loan, prior to disbursement on the termination/expiry of contract. However, Advisers/Officers who have not contracted a loan from the Treasury should continue to be eligible for their gratuity after each year of contract.
- (ii) Advisers/Officers on contract employment who have taken advantage of loan facilities from the Treasury and benefited from duty remission should reimburse the outstanding loan and proportionate duty, if any, within a month as from the date the contract comes to expiry or is terminated.

\*\*\*\*\*

### 3. PASSAGE BENEFIT SCHEME

- 15.3.1 The Passage Benefit Scheme, which was meant to provide passages to expatriates serving in the country to travel to their homeland, was extended to Mauritian Senior Civil Servants to allow them to spend their vacation abroad and broaden their knowledge. Eventually, passage assistance was replaced by air mileage and granted on a priority basis to eligible officers. Subsequently, eligible officers were allowed to earn passage benefit as a percentage of their annual salaries or the equivalent costs of appropriate mileage at the time of travel, whichever was the higher. Since the system proved to be administratively cumbersome, the passage benefit was made, as far as possible, a function of pay alone.
- 15.3.2 The purpose of passage benefit has also changed over time. Today the accumulated passage benefit is used for the purchase of air tickets to travel abroad, as well as to cater for expenses incurred for vacation at inland hotels/recreational resorts. Moreover, provision is made for officers to cash in toto the benefits at time of retirement.
- 15.3.3 Officers on permanent and pensionable establishment drawing a minimum monthly salary of Rs 9870, or reckoning at least 12 years' service, earn passage benefit subject to certain provisions, at the rate of 5% of their salaries annually or the equivalent cost of 3900 km of the Group Tour Air Fare Mauritius - London - Mauritius at off peak (low season) rate whichever is the higher. However, in case of medical emergency, the rate at the time of travel is applicable.
- 15.3.4 Officers are allowed to make use of their accumulated passage benefit when the balance standing to their credit is Rs 10000 or more and for the purposes mentioned below:
- (a) to purchase air tickets to travel abroad in respect of themselves, the immediate members of their families and children up to 27 years old undertaking full time course in a tertiary institution abroad;
  - (b) to purchase air tickets for their children up to 27 years old following full time course in a tertiary institution locally once in five years;
  - (c) to purchase air tickets in respect of their mothers and/or fathers in case officers are single;
  - (d) to meet the cost of other expenses in connection with their travel or cash partly or wholly any balance of their accumulated benefit; and
  - (e) to spend vacation at inland hotels/recreational resorts. Officers are allowed to cash their benefit for this purpose provided they produce documentary evidence to that effect and their accumulated benefit is not less than Rs 10000.

- 15.3.5 Officers are also allowed to cash *in toto* all passage benefit standing to their credit at the time of retirement.
- 15.3.6 On the death of an officer, the benefit standing to his credit is paid *in toto* to the heirs.
- 15.3.7 Married officers are allowed to use their passage benefit to meet costs of passages of their mothers and fathers travelling with them.
- 15.3.8 We have received representations for an upward revision of the rate at which passage benefit is accrued on ground that the price of air ticket has increased considerably. Our findings have revealed that the increase of airfares over the last five years has not exceeded pay increases for the corresponding period. We are, therefore, maintaining the rate at which passage benefit is earned as well as the mileage for low income earners. We are, however, enlarging the number of beneficiaries to include officers reckoning 10 to less than 12 years' service as well as increasing the minimum balance required to allow the use of passage benefits.

**Recommendation 1****15.3.9 We recommend that:**

- (i) Officers on permanent and pensionable establishment drawing a minimum monthly salary of Rs 13000 or reckoning at least 10 years service should earn passage benefit at the rate of 5% of their salaries annually or the equivalent cost of 3900 km of the Group Tour Air Fare Mauritius - London - Mauritius at off peak (low season) rate whichever is the higher. However, officers would not earn passage benefit during vacation leave, vacation leave taken as casual leave, sick leave in excess of 21 working days in any calendar year, maternity leave, study leave with or without pay, injury leave, interdiction period, accumulated sick leave taken prior to retirement and probationary period. In case of medical emergency, the prevailing rate at the time of travel will be applicable.
- (ii) We also recommend that officers be allowed:
- (a) to make use of their accumulated passage benefit provided that the balance to their credit stands at Rs 12000 or more. However, spouses who are both civil servants may be allowed to use their passage benefit provided the officers have jointly accumulated an aggregate of not less than Rs 24000;
  - (b) to use their passage benefit for travel purposes for themselves and for immediate members of their families namely spouses, dependent children below 21 years and children up to 27 years old undertaking full time course in a tertiary institution abroad;
  - (c) to use their passage benefit in favour of their children up to 27 years old following full time course in a tertiary institution locally once in five years;
  - (d) to use their passage benefit in favour of their mothers and/or fathers;
  - (e) to use their passage benefit to meet the cost of other expenses in connection with their travel or cash either partly or wholly any balance of their accumulated benefit at the time of travel;
  - (f) to use partly or wholly their accumulated benefit for spending vacation at inland hotels/recreational resorts. Officers should also be allowed to cash their benefit for this purpose provided they produce documentary evidence to that effect and their accumulated benefit is not less than Rs 12000; and

- (g) to cash *in toto* all passage benefit standing to their credit at the time of retirement.

**Recommendation 2**

- 15.3.10 We further recommend that on the death of an officer, the outstanding benefit should be paid *in toto* to the heirs.**

**Rebate on Air tickets**

- 15.3.11 Staff Associations and Management of Parastatal Organisations and Local Authorities have represented that officers entitled to passage benefit, are not granted discounts on air tickets similar to those granted to officers of the civil service travelling abroad by the national airline.
- 15.3.12 During discussions on this issue with the top management of Air Mauritius the Bureau was made to understand that the company would have no objection for the extension of the rebate to officers of Parastatal and other Statutory Bodies and Local Authorities provided bookings are effected through the Air Mauritius counter and that there is a recommendation to this effect.



**Recommendation 3**

**15.3.13** We recommend that Supervising Officers of Parastatal and other Statutory Bodies and Local Authorities should make arrangements with Air Mauritius to allow eligible employees of their organisations to benefit from the rebate on similar terms as granted to civil servants.

\*\*\*\*\*

## 4. Leave

- 15.4.1 Leave is a privilege which is granted subject to the exigencies of the service. It is an approved period of absence granted to an employee to relieve him from attending duty for a specific purpose. There are various types of leave to cater for the different needs of employees. These are vacation leave, casual leave, annual leave, sick leave, maternity leave, leave without pay, study leave with/without pay and injury leave. While some of them are considered to be a privilege others like maternity leave, sick leave, injury leave are regarded as a right.
- 15.4.2 The present provisions are mostly in line with what obtain internationally though a few of them like leave without pay and vacation leave are considered to be generous. The present leave system, however, contains a few weaknesses which are putting pressure on organisations and need redress.
- 15.4.3 Representations have been received to the effect that one day leave is being taken by officers too frequently, particularly on Mondays and immediately after or before a Public Holiday, on grounds of "unforeseen circumstances". Such absences cause an abrupt reduction in the work force thereby leading to disruption in the smooth running of work. In crucial sectors, such unexpected absences cause serious hindrance in the proper delivery of service.
- 15.4.4 Additionally, it has been observed that there is an abuse in the request for and the grant of permission, while at the same time, the problem of lateness is becoming alarming. Unexpected absences as well as latenesses have serious effects on the scheduling of work, workload of fellow employees and the morale of those who strive for good performance.
- 15.4.5 We have studied these weaknesses at length and to address the issue appropriate measures are being recommended: (i) recommendations are being made in respect of vacation leave to enable the organisation to function properly and beneficiaries to be adequately compensated; (ii) in respect of sick leave, additional incentives have been granted to induce desired attitude to diminish the bad incidence of abuse of such leave; (iii) provisions for injury leave have been further strengthened; and (iv) the issue of leave without pay has been dealt with to render it more equitable both to the employee and to the employer.

### **Vacation Leave**

- 15.4.6 Vacation Leave forms part of the "fringe benefits" that officers on permanent and pensionable establishment are entitled to. It is granted for relaxation purposes and is meant to be enjoyed. It is based on the foundation that periodic breaks from work is beneficial to the well-being of

employees, a key factor for improving performance. Vacation leave is also allowed for convalescence or to attend to personal obligations.

15.4.7 Vacation Leave is earned by virtue of the officer's service from the date he is appointed in a substantive capacity irrespective of his position. It is given on full pay and can be spent either locally or abroad at an officer's option. Vacation Leave is not granted in advance and is computed on a pro-rata basis in respect of the actual period served in the year. The minimum grantable period of vacation leave is seven days, which should be taken at a stretch save where it is granted as casual leave in which case it can be taken either at a stretch or on and off. It can be combined with casual leave in cases where officers cannot, by taking either casual leave or vacation leave alone, make up the number of days required.

15.4.8 Vacation Leave is not earned during any of the following periods: vacation leave, vacation leave taken as casual leave, sick leave in excess of 21 days in any calendar year, accumulated sick leave taken as leave prior to retirement, leave without pay, study leave with or without pay, maternity leave, injury leave and interdiction.

**Present Vacation Leave Entitlement**

15.4.9 The table below sets out the existing provisions relating to vacation leave for officers on the permanent and pensionable establishment. The same provisions apply also to teachers of the Pre-Primary, Primary and Secondary Schools, and Trainers/Training Officers and Instructors of the IVTB but these officers do not earn vacation leave during school holidays except for those periods when they are in attendance officially.

<b>Length of Service (in years)</b>	<b>Leave Earning Rate per Annum (in days)</b>	<b>Maximum Leave that can be Accumulated (in days)</b>
Up to 5	25	90
5+ to 10	30	120
10+ to 15	35	150
Over 15	35	180

**Recommendation 1**

15.4.10 **We recommend that the present provisions regarding vacation leave be maintained. Teachers of the Pre-Primary, Primary and Secondary Schools should not earn vacation leave during school holidays except for those periods when they are officially in attendance. They should additionally be governed by the appropriate provisions given in the Chapter dealing with the Ministry of Education and Scientific Research in Volume II of this Report.**

**Recommendation 2**

---

---

**15.4.11** We recommend that the conditions related to the purpose and grant of vacation leave as at paragraphs 15.4.6, 15.4.7 and 15.4.8 be maintained.

**Length of Service**

15.4.12 At present, for determining eligibility for vacation leave, the length of service of an officer starts from the date he joins the Public Service and begins to be paid from public funds irrespective of the capacity in which he joins. Periods of break or leave without pay or secondment to outside bodies, e.g. approved services, are not taken into consideration in reckoning the length of service.

**Recommendation 3**

**15.4.13 We are maintaining the present method of determining the length of service for eligibility for vacation leave.**

**Monitoring of Vacation Leave**

15.4.14 Given the purpose of vacation leave, the employer should ensure that all officers take at least part of their vacation leave entitlement every year. Officers should be encouraged to take periodic breaks from work and may have recourse to such leave more than once a year. Heads of Organisations should be responsible for scheduling staff vacation at times which are, as far as possible, convenient both to the individual and to the organisations. Vacation requests from officers should not be unreasonably denied. In that context, a preliminary vacation schedule for all officers of an organisation should be established early in the year. In case of subsequent changes, officers should give adequate notice to allow for adjustments needed to meet departmental work requirements.

**Recommendation 4**

**15.4.15 We recommend that:**

- (a) vacation Leave should, as far as possible, be taken every year;**
- (b) officers should be allowed to take periodic breaks from their work and**
- (c) heads of organisations should ease the taking of vacation leave by ensuring that a ‘Leave Programme’ is established at the beginning of each calendar year to avoid conflicting situations and to minimise disruption in the smooth running of the organisation concerned.**

**Accumulation of Vacation Leave Above Ceiling**

15.4.16 Under the present provisions, any officer who has accumulated vacation leave up to his prescribed ceiling ceases to earn vacation leave. This appears to be unfair particularly for those officers who in spite of their intention to go on leave simply cannot be released year in year out. We have found that these officers belong to certain specific areas. These being:

**(a) Sensitive and Critical/Essential Areas**

Cases falling under these areas belong to grades with a small establishment size (1-2), where the services are of vital importance involving either policy formulation at the highest level or forming part of personnel responsible for security of the state or belonging to such essential services where the officer cannot be replaced.

**(b) Scarcity Area/Skills in Short Supply**

Grades requiring professional or technical qualifications which have registered a vacancy rate of 20% and above for a continuous period of 1½ years or more and where the vacancies have not been filled despite several recruitment attempts.

**(c) Exigencies of Service**

Where the demand of the service does not allow the release of officers and the remaining labour force cannot compensate for the absence of the officer(s).

15.4.17 In view of their specificities, it appears fair to allow officers belonging to any of the above areas to accumulate vacation leave over and above the present prescribed ceiling and provide for some form of compensation. However, in order to guard against any form of abuse, we are making the recommendations stringent.

**Recommendation 5**

**15.4.18 (i) As a general rule, vacation leave is meant to be taken during the year, and officers should therefore apply for such leave before reaching their normal maximum entitlement.**

**(ii) An officer, falling in areas specified at 15.4.16 (a) and (b) above, should only be authorised to earn vacation leave over and above his normal maximum entitlement provided that (a) he has made a written application for leave and on reasonable grounds, he has not been released by the Supervising/Responsible Officer or the Authorities due to the exigencies of the service; and (b) he has been informed in writing that his request for leave has not been entertained.**

**(iii) The recommendation at sub paragraph (ii) above should also apply to an officer falling under 15.4.16 (c) and who cannot be granted leave due to the exigencies of service, provided the approval of the Ministry of Civil Service Affairs and Administrative Reforms is sought and obtained. The Ministry of Civil Service Affairs and Administrative Reforms shall satisfy itself of the reasonableness of the grounds prior to the grant of such approval.**

**(iv) No officer should be authorised to earn vacation leave over and above his normal maximum entitlement until he has reached his ceiling.**

**(v) All outstanding leave accumulated over and above the normal maximum entitlement should be kept in a separate account to be known as the “Beyond Ceiling Vacation Leave Account”. Leave under this account should:**

- 
- 
- either (a) be taken as leave prior to retirement or earlier;  
or (b) be cashed at the time of retirement at the rate of 1/30 of the last monthly salary per day.
- (vi) The amount of leave taken by an officer, who has accumulated vacation leave beyond ceiling and who subsequently proceeds on vacation leave, should be deducted from his “Beyond Ceiling Vacation Leave Account” only after all leave accumulated under the normal scheme has been utilised.

**Casual Leave for Officers on Permanent and Pensionable Establishment**

- 15.4.19 Casual Leave is meant for brief absences in both foreseen and unforeseen circumstances to enable officers to attend to personal matters including religious obligations. It can be spent locally or abroad and can be combined with vacation leave. It should be taken in the calendar year it falls due and is normally non-accumulative. However, if owing to exigencies of the service, an officer cannot be granted a part or the whole of his casual leave in the year it falls due, his Supervising Officer may allow him to carry over such leave to the following year, provided that the quantum of his casual leave in any particular year, does not exceed his entitlement for two years.
- 15.4.20 According to the present casual leave scheme, officers on permanent and pensionable establishment are eligible to eleven working days of casual leave in one calendar year. Officers who have already exhausted their casual leave are also allowed to take, in any calendar year, up to five days from their accumulated vacation leave. These five days may be taken on the same basis as casual leave, i.e. either at a stretch or on and off.
- 15.4.21 It has been observed that applications for casual leave on ground of “unforeseen circumstances” have become a recurrent feature. It has also outnumbered cases where prior approval for such leave is sought. Further, such absences cause disturbance in the smooth running of an organisation.

**Recommendation 6****15.4.22 We recommend that:**

- (i) **the quantum of casual leave be maintained as at present;**
- (ii) **Supervising Officers should, as far as possible, monitor the application and approval of casual leave. The grant of casual leave should be subject to prior approval. In cases of application for casual leave on ground of “unforeseen circumstances”, Supervising Officers should satisfy themselves of the reasonableness of the grounds prior to the grant of such leave, otherwise such leave should be considered as unauthorised; and**
- (iii) **an officer who, owing to the exigencies of the service, cannot be granted a part or the whole of his casual leave in the year it falls due, may be allowed by his Supervising Officer to carry over such leave to the following year, provided that the quantum of his casual leave does not exceed his entitlement for two years.**

**Annual Leave for Officers not Holding Substantive Appointment**

- 15.4.23 The present provisions of annual leave in respect of officers not holding a substantive appointment, after one year’s continuous service, are as follows:



- (i) 14 working days for those working on a five-day week basis; and
- (ii) 16 working days for those working on a six-day week basis.

15.4.24 Trainees, Students and Apprentices are also entitled to the same quantum of annual leave as above.

15.4.25 Trainee Teachers (Primary and Secondary) are entitled to ten working days of annual leave after the first year of training.

**Recommendation 7**

**15.4.26 We are maintaining the present provisions governing annual leave for officers not holding a substantive appointment after one year’s continuous service.**

**Annual Leave for Part-time Employees**

15.4.27 At present, part-time employees who have been in continuous employment for a period of 12 consecutive months are entitled to 14 working days of annual leave. A day of leave is reckoned as the day or part thereof the employee is expected to be on duty.

**Recommendation 8**

**15.4.28 We are maintaining the present provisions in respect of part-time employees.**

**Sick Leave**

15.4.29 Sick Leave is an authorised absence from duty on account of personal illness including complications of pregnancy for female officers. It is an essential condition of service, subject to eligibility and is granted by the Supervising Officer.

15.4.30 An officer who absents himself from duty for three consecutive working days or less on the ground of illness is required, on resumption of duty, to state in writing the nature of his illness. Where the period of absence exceeds three consecutive working days, the officer has to furnish a medical certificate, showing the date of its issue, the nature of the illness, the quantum of sick leave recommended and the name of the medical practitioner. Such certificate should reach the Supervising Officer on the day following the fourth day of absence, failing which the officer might be regarded as being absent without authorisation.

15.4.31 Nevertheless, in case of suspected malingering, a Supervising Officer may require an officer to submit a medical certificate for any day of absence on ground of illness, even if that absence is less than three consecutive working days.

**Existing Sick Leave Provisions for Officers Holding Substantive Appointment**

15.4.32 The present sick leave provisions in respect of officers appointed in a substantive capacity are as follows:

- (i) 21 working days' sick leave on full pay every calendar year;
- (ii) all leave not taken at the end of the year is accumulated up to a "bank" maximum of 90 days;
- (iii) when the "bank" maximum has been reached, leave unutilised at the end of the year, out of the annual entitlement of 21 working days, up to a maximum of 11 days is paid in cash, the computation for a day's sick leave being at the rate of 1/22 of monthly salary;
- (iv) on retirement, sick leave accumulated in bank is either cashed in full or is taken as leave prior to retirement;
- (v) where an officer has exhausted all his sick leave (annual entitlement and "bank"), he is granted over a period of three consecutive calendar years, in exceptional circumstances, on the recommendation of the Ministry of Health and Quality of Life, sick leave up to a maximum of six months on full pay followed by six months on half pay inclusive of non-working days. Such leave is considered as an "advance" and is refunded on resumption of duty at the rate of 14 days a year. No officer is allowed to cash or "bank" sick leave until all leave advanced has been refunded. Any unutilised sick leave at the end of the year is used to offset leave advanced;
- (vi) any period of illness abroad, supported by documentary medical evidence, is reckoned against an officer's sick leave entitlement;
- (vii) on the death of an officer, the total value (100%) of accumulated sick leave accruing and payable to him, is paid to the heirs; and
- (viii) in the case of resignation from employment, the total value (100%) of accumulated sick leave is paid in cash to the officer.

**Survey on Sick Leave in the Public Sector**

15.4.33 In the context of the overall Review of Pay and Grading Structures and Conditions of Service, the Bureau has examined anew the issue of absenteeism in the Public Sector, Parastatal and other Statutory Bodies and Local Authorities. Another survey was carried out on sick leave to assess the extent to which measures enunciated in the 1998 PRB Report have been effective.

15.4.34 Recorded absences for calendar years 1997 to 2002, were obtained from a questionnaire survey of selected organisations. The survey coverage has been expanded by broadening the scope to

include additional organisations. Overall, a high response rate for the survey was obtained. The information provided was limited to the name of the employee and the number of sick leave taken for each calendar year.

15.4.35 In general the survey has revealed that our 1993 and 1998 sick leave scheme has significantly contributed in diminishing absenteeism in the Public Sector. The percentage of officers who were taking between 10 to 21 days sick leave has fallen drastically to less than 10 days as employees have now the tendency of containing their usage of sick leave to qualify at the end of the year for the maximum cash refund of 11 days.

15.4.36 However, among those who are taking up to 10 days sick leave, a good majority of employees are utilising between six to ten days as shown in respect of a few grades below:

<b>Grade</b>	<b>Percentage of Employees Taking 6-10 days for the Year 2001</b>
General Field Office/Premises Worker	82
Word Processing Operator	65
Clerical Officer/Higher Clerical Officer	64
Office Attendant	86

15.4.37 About 60% of officers in most of the grades in the Health Sector took 6 to 10 days in 2002 as opposed to 48% in 1998.

15.4.38 In the Education Sector, the tendency has been to make usage of 6 to 10 days.

15.4.39 The same tendency for utilising 6 to 10 days has also been observed in Parastatal and other Statutory Bodies and Local Authorities.

15.4.40 Sick leave is intended to provide continuity of income during absence from work due to legitimate illness. It is contingent upon illness and is not meant to be an additional vacation or time off from work for other reasons of a personal nature. The costly nature of this benefit demands proper and consistent administrative practices across the Public Sector in order to facilitate monitoring and analysis of sick leave usage to determine its significance in the minds of employees and to seek causes of sick leave abuse and provide remedies.

15.4.41 Absence on sick leave continues to be a significant operational and financial burden on the civil service and its reduction remains a continuing goal. It is therefore vital that departments and organisations recognise the importance of positive management and staff attitudes and behaviour in the long term reduction of absence on ground of sick leave. There is need that higher level of organisational commitment be induced in all staff. **It should be impressed on the employee the**

**negative effects of repeated absences on the scheduling of work, the workload of fellow employees and the morale of those who strive for good attendance.**

15.4.42 As mentioned above the survey data revealed a pronounced inclination towards utilising 6 to 10 days sick leave. We are now providing incentives to induce employees to further contain their sick leave usage.

#### **Recommendation 9**

**15.4.43 We recommend that sick leave provisions, in respect of officers appointed in a substantive capacity, be as follows:**

- (i) 21 working days' sick leave on full pay every calendar year;**
- (ii) all leave not taken at the end of the year should be accumulated up to a 'bank' maximum of 90 days;**
- (iii) when the 'bank' maximum has been reached, leave unutilised at the end of the year, out of the annual entitlement of 21 working days, up to a maximum of 11 days, should be paid in cash at the rate of 1/22 of monthly salary. Any remaining balance of sick leave, over and above the 11 days, up to a maximum of five days, should be refunded at the discounted rate of 1/44 of monthly salary per day as from January 2004. For the year 2003 up to a maximum of 2½ days should be refunded at the discounted rate of 1/44 of monthly salary per day ;**
- (iv) on retirement, sick leave accumulated in bank should either be cashed in full or taken as leave prior to retirement;**
- (v) where an officer has exhausted all his sick leave (annual entitlement and 'bank'), he should be eligible, not more than twice in his career, for sick leave up to a maximum of six months on full pay followed by six months on half pay inclusive of non working days, on the recommendation of the Ministry of Health and Quality of Life. Such leave should be considered as an 'advance' and should be refunded, on resumption of duty, at the rate of 14 days a year. No officer should be allowed to cash or 'bank' sick leave until all leave advanced has been refunded. Any unutilised sick leave at the end of the year should be used to offset leave advanced;**
- (vi) an officer who has been granted six months sick leave on full pay and is subsequently granted sick leave on half pay, may opt to use his accumulated vacation leave in lieu of the sick leave on half pay;**
- (vii) any period of illness abroad on expiry of any period of vacation leave, should be on no pay except for period an officer is hospitalised;**

- (viii) **on the death of an officer, the total value (100%) of accumulated sick leave should be paid to his heir(s); and**
- (ix) **in case of resignation from employment in the Public Service, officers should be paid the total value (100%) of accumulated sick leave, if any.**

**Existing Sick Leave Provisions for Officers not Holding Substantive Appointment**

15.4.44 The present provisions of sick leave in respect of officers not holding a substantive appointment, after one year's continuous service, are as follows:

- (i) 12 working days' sick leave on full pay in a calendar year;
- (ii) 14 additional days' sick leave on full pay inclusive of non-working days in case of prolonged illness;
- (iii) further sick leave on half pay for a maximum period of 62 days inclusive of non-working days, in exceptional circumstances, on the recommendation of the Ministry of Health and Quality of Life;
- (iv) the additional 14 days' sick leave on full pay and the further 62 days' sick leave on half pay are deemed to be grantable over a period of one year;
- (v) any paid sick leave in excess of the 12 working days is considered as an advance and is, on the officer being appointed on the permanent and pensionable establishment, refunded at the prescribed rate; and
- (vi) sick leave unutilised at the end of the year out of the annual entitlement of 12 working days, up to a maximum of 6 days, is refunded in cash. The computation for a day's sick leave is at the rate of 1/22 of monthly salary.

**Recommendation 10**

**15.4.45 We recommend that the present provisions governing sick leave for officers not holding a substantive appointment, after one year's continuous service, be maintained.**

**Sick Leave: Part-time Employees**

15.4.46 A part-time employee who has been in continuous employment for 12 consecutive months and who puts in 40 hours of work weekly, is eligible for 12 working days' sick leave on full pay in a calendar year.

15.4.47 A part-time employee who has been in continuous employment for 12 consecutive months and who puts in less than 40 hours of work weekly, is eligible for sick leave on a pro-rata basis depending on the number of hours of work per week.

15.4.48 Sick leave unutilised at the end of the year out of the annual entitlement of 12 working days, up to a maximum of 6 days, is paid in cash each year at the rate of 1/22 of the monthly salary.

15.4.49 The refund of unutilised sick leave in respect of a part-time employee who puts in less than 40 hours of work weekly is computed on a pro-rata basis depending on the number of hours of work per week.

**Recommendation 11**

**15.4.50 We are maintaining the present entitlement and refund of sick leave in respect of part-time employees.**

**Monitoring of Sick Leave**

15.4.51 In our previous reports, we have made recommendations to strengthen control on the utilisation of sick leave and to rapidly detect suspected cases of malingering. We are reiterating these recommendations.

**Recommendation 12**

**15.4.52 We recommend that:**

- (i) **supervising officers should develop and maintain proper control systems at all levels;**
- (ii) **where a supervising officer considers that the sick leave record of an officer is unsatisfactory, he shall arrange for the officer to be examined by a medical board to determine the officer's fitness for further service;**
- (iii) **where an officer has been found unfit by a medical board, the Responsible Officer shall initiate action for his retirement on medical grounds in accordance with the regulations in force; and**
- (iv) **where the sick leave record of an officer, who has been found fit by a medical board, continues to be unsatisfactory, the Responsible Officer may initiate action for his retirement in the public interest in accordance with the regulations in force.**

**Maternity Leave**

- 15.4.53 Maternity Leave is the time that a woman public officer is allowed to spend away from work on confinement. It is on full pay and is granted to a woman public officer holding a substantive appointment or having completed one year's continuous service.
- 15.4.54 The length of leave granted in case of a confinement is 12 weeks, part of which may be taken prior to confinement. This privilege is restricted to three confinements only.
- 15.4.55 Where a woman public officer gives birth to a stillborn child, she may opt to take sick leave upon production of a medical certificate, or maternity leave.

**Prenatal Treatment**

- 15.4.56 A woman public officer may elect to take either sick or casual or vacation leave to cover any period of absence in relation to prenatal treatment.

**Recommendation 13**

- 15.4.57 **We recommend that maternity leave provisions should be maintained as follows:**
- (i) **a woman public officer holding a substantive appointment or having completed one year's continuous service, should be granted 12 weeks maternity leave on full pay;**
  - (ii) **maternity leave with full pay should be granted for three confinements only;**
  - (iii) **in the event a woman public officer gives birth to a stillborn child, she may, upon production of a medical certificate:**
    - either (a) cover her absence out of maternity leave whereby the number of confinements for which she is eligible for maternity leave, will be reduced;**
    - or (b) cover her absence out of her sick leave entitlement whereby the number of confinements for which she is eligible for maternity leave, will not be reduced; and**
  - (iv) **time off granted to a woman public officer for attending prenatal treatment should be reckoned against either sick or casual or vacation leave or annual leave entitlement of the officer.**

**Leave Without Pay After Confinement**

- 15.4.58 Presently, mothers are granted up to 6 months leave without pay to look after their baby/babies in a period of 12 months following confinement, subject to exigencies of the service. This provision

has been subject to changes in the previous Reports and the present set up is working well. In the circumstances, we do not propose any change.

**Recommendation 14**

**15.4.59 We recommend that the present provisions governing leave without pay after confinement be maintained.**

**Leave for Parental/Family Care**

15.4.60 Public officers are given priority of consideration in making use of their vacation leave to attend to their wife following confinement. Sympathetic consideration is also given to all public officers, whether male or female who have to attend to their sick mother and/or father, for the utilisation of their vacation leave for such a purpose.

15.4.61 It has been represented that in case of death of a mother during the period of maternity leave, this privilege should be extended to the father in the circumstances, to look after the newly born child. It has also been represented that leave should be favourably considered in the case of death of a member of the immediate family i.e. father, mother, brother, sister, spouse or child.



**Recommendation 15**

**15.4.62 We recommend that the provisions at paragraphs 15.4.61 and 15.4.62 above be maintained.**

**15.4.63 We further recommend that sympathetic consideration should be given for the grant of leave either casual or vacation to the father to look after a newly born child in case of the death of the mother and to any officer in case of the demise of a member of his immediate family i.e. father, mother, brother, sister, spouse or child.**

**Study Leave With Pay**

15.4.64 Study leave on full pay is granted to an officer on permanent and pensionable establishment nominated for in-service training or for an open scholarship considered to be in-service course in a priority field of study. It is also granted to public officers enrolled on self financing full time/part-time courses which are sanctioned by examinations.

**Recommendation 16**

**15.4.65 We recommend that the present provisions concerning the grant of study leave with pay and the conditions attached thereto be maintained.**

**Leave Without Pay**

15.4.66 In the 1998 PRB Report, the Bureau recommended the following provisions for the grant of leave without pay to officers in the Public Service:

**Subject to the exigencies of the service**, officers holding a substantive appointment in the Government Service are granted leave without pay as hereunder:

- (a) **to take up employment** for an initial period of up to two years renewable up to a maximum aggregate period of five years -
  - (i) in international organisations, (World Health Organisation, World Bank etc.) of which Mauritius is a member;
  - (ii) in foreign countries under a scheme approved by Government;
  - (iii) in member countries of regional organisations like SADC;
  - (iv) in Parastatal and other Statutory Bodies and other approved services; and
  - (v) in the private sector in Mauritius.
- (b) **to accompany overseas their spouse** (for a maximum aggregate period of five years)
  - (i) who are public officers when the latter proceed overseas on approved leave;

- (ii) who are not Government employees under any one of the conditions listed at paragraph (a) (i) to (iii) above;
  - (c) **to pursue higher studies;**
  - (d) **to explore the possibility of emigration,** for an aggregate period not exceeding two years;
  - (e) **to look after baby/ies** for a period not exceeding six months following confinement; and
  - (f) **for other private purposes** including family commitments for a period not exceeding three months.
- 15.4.67 It has been observed that officers at all levels and across the Public Sector have made use of these provisions for various purposes with the result that some Ministries/Departments/Organisations have at one time or another found themselves in a precarious situation where their staff establishment has been reduced or depleted at critical levels and delivery of service hampered.
- 15.4.68 Leave Without Pay to take up employment outside the service was originally meant to facilitate the mobility of officers for exposure, personal development and learning of best practices from private sector businesses and other international organisations so that on return to their public sector positions, the job incumbents bring in acquired knowledge, skills and innovative work methods. In practice, however, it has been noted that in the majority of cases it is the trained and experienced officers who proceed on leave without pay because of better opportunities and rewards elsewhere.
- 15.4.69 Leave Without Pay to pursue higher studies is presently granted to officers who produce documentary evidence of having been admitted to full time courses to study in fields of their choice. In many instances the fields of study are relevant to the duties of the grade, in others not. In either case, on completion of studies the job incumbents are on the lookout for jobs commensurate with their new qualifications and skills acquired. They again leave the department on opportunity arising on leave without pay.
- 15.4.70 Leave Without Pay for private purposes including family commitments has been widely granted for multiple periods of three months in a year. This is because there is no indication of the number of times such leave can be granted. An officer having benefited from the said leave can resume duty for one week and apply for another period of three months of leave without pay. It has further come to our knowledge that several officers use this privilege to undertake private work at specific times during the year e.g. harvest period, racing season and end of the year. On the other hand it has been observed that officers who have applied for leave without pay to

explore the possibility of emigration in fact do so to seek and to take up employment outside the country. Moreover this reason is used for an extension of leave without pay in numerous cases.

15.4.71 As mentioned above, the prolonged/repeated absences of officers particularly those at the apex of organisations or belonging to scarcity fields cause serious disruptions in the proper functioning of organisations. Such situations should not in principle arise as the grant of leave without pay is normally approved subject to the exigencies of the service. Consideration for the grant of leave is fraught with numerous difficulties in several instances. It might not always be easy to foresee the exigencies of the service in a few months. In scarcity areas the choice may even be between granting the leave for some time or parting with the services of an employee for ever. In other instances, the choice may be between the interest of the specific service and the broader interest of the Public Sector or the country at large.

15.4.72 It is therefore important to revisit this condition of service to allow for sufficient flexibility in the exercise of discretion while rendering the grant of leave stringent for certain purposes. It is equally important that leave without pay be granted for such duration and frequency which are acceptable to the organisation and reasonable for the employees.

#### **Recommendation 17**

15.4.73 **We recommend that:**

- (i) **The grant of leave without pay should be subject to the *interest and exigencies of the Public Service* and be applicable exclusively to officers holding a substantive appointment except for leave taken following confinement.**
- (ii) **Leave Without Pay to take up employment in:**
  - (a) **Parastatal Bodies and other Statutory Bodies and other approved services, should be limited to the probationary period of employment up to a maximum aggregate period of 2 years in a period of 10 years.**
  - (b) **The Private Sector in Mauritius, should be for an aggregate period not exceeding 1 year in a period of 10 years.**
  - (c) **International Organisations (World Health Organisation, World Bank etc.) of which Mauritius is a member, in foreign countries under a scheme approved by Government, in member countries of regional organisation like SADC, should be for the duration of the first contract.**
- (iii) **Leave Without Pay to accompany overseas spouses who are public officers and proceeding on approved leave or who are not government employees but employed**

in international organisations, of which Mauritius is a member, in foreign countries under Government approved schemes and in member countries of regional organisation like SADC, should be for the duration of the first contract the spouses would be required to serve.

- (iv) “Exploring the possibility of emigration” should no longer be accepted as a reason for the grant of leave without pay.
- (v) Leave Without Pay to look after babies should be for a period not exceeding 6 months in the period of 12 months following confinement.
- (vi) An officer who has benefited from maternity leave with full pay for three confinements, should be granted leave without pay for a period of 12 weeks in the event of a subsequent confinement.
- (vii) For other private purposes, including family commitments, the grant of leave without pay should not exceed an aggregate of 90 days that can be taken a maximum number of three times every 10 years.
- (viii)
  - (a) Leave Without Pay to pursue higher studies should be granted to officers following full time courses for the duration of the course subject to a maximum of four years in aggregate .
  - (b) An officer who wishes to await the result of his examination before resuming duty should be granted an extension of leave without pay.
  - (c) An officer who fails his examination should also, on submission of relevant documentary evidence, be granted an extension of his leave without pay.

**Leave Eligibility in Specific Cases**

- 15.4.74 At present there are certain provisions for Leave Eligibility in specific cases:
- (i) Officers appointed in a substantive capacity in the service whether directly or after a period of temporary service of less than one year are eligible for sick and casual leave on a pro-rata basis in the year of appointment.
  - (ii) Officers, serving in a casual/temporary capacity for more than a year, on being appointed substantively, are eligible for the full quantum of sick and casual leave. Appropriate adjustments must, however, be made in the year the officer is appointed for casual and sick leave already taken since the beginning of the year.
  - (iii) Officers who are retiring/resigning from the service and officers on injury leave, on leave with/without pay as well as those interdicted, who are absent for a complete calendar year are not eligible for sick and casual leave for that year; those who are absent for a period of less than a complete calendar year are eligible for total sick and casual leave entitlement. Payment for unutilised sick leave is computed on a pro-rata basis for the actual period worked in the year. However, officers on leave with pay are entitled to full refund of sick leave not taken provided that these officers have attended duty for at least 22 working days in the calendar year.

**Recommendation 18**

**15.4.75 We recommend that the present provisions be maintained.**

**Injury Leave**

- 15.4.76 In the 1998 PRB Report, we recommended that:
- (i) Injury leave, on full pay, should continue to be granted to an officer injured on duty, provided that the officer was acting in accordance with rules and regulations in force at the time of the accident and the accident was not due to the fault of the officer.
  - (ii) Pending the findings of the Departmental Board, the officer upon recommendation for leave from the Government Medical Officer, should be granted sick leave.
  - (iii) Subject to the findings of the Departmental Board, the Responsible Officer may approve injury leave up to a maximum of 15 days.
  - (iv) All cases requiring more than 15 days sick leave should be referred to the Injuries Committee together with the necessary documents and comments as laid down in the existing regulations.

- (v) Notwithstanding (iii) above, the Responsible Officer may refer to the Injuries Committee any case where, in his opinion, the circumstances of the injury require further investigations.

15.4.77 We also recommended that the Ministry of Health and Quality of Life, which is responsible for the Injuries Committee, should make necessary arrangements to clear the backlog of cases that had to be examined by the Injuries Committee.

**Injury Leave in excess of 15 days**

15.4.78 Representations have been received to the effect that many officers who qualified for injury leave in excess of 15 days, as a result of injury sustained out of and in the course of duties, as recommended by the Departmental Board, are being penalised because injury leave in excess of 15 days is being approved by the Injuries Committee after a long delay. This causes hardships to the officers who are on prolonged absences as the excess of leave may also be reckoned against their cumulative sick leave thereby depriving them of payment in cash of unutilised sick leave over and above the "bank" maximum of 90 days.

15.4.79 The Bureau has examined the issue and found, from a study carried out by the Occupational Health Unit of the Ministry of Health and Quality of Life on "Injuries among Civil Servants in Mauritius for the years 1995-1998", that the majority of injured officers have been granted up to 30 days injury leave for period 1995 to 1998. It has further been found that the trend is more or less the same for the last five years.

15.4.80 To alleviate this situation, we are bringing certain amendments to the present conditions.

**Recommendation 19**

**15.4.81 We recommend that:**

- (i) injury leave on full pay, should, as at present, continue to be granted to an officer injured on duty, provided that the officer was acting in accordance with rules and regulations in force at the time of the accident and the accident was not due to the fault of the officer;**
- (ii) pending the findings of the Departmental Board, the officer, upon recommendation for leave from a Government Medical Officer, should, as at present, be granted sick leave;**
- (iii) subject to the findings of the Departmental Board, the Supervising Officer may approve injury leave up to a maximum of 30 days;**

- (iv) all cases requiring more than 30 days injury leave should be referred to the Injuries Committee together with the necessary documents and comments as laid down in the existing regulations;
- (v) notwithstanding sub paragraph (iii) above, the Supervising Officer may refer to the Injuries Committee any case where, in his opinion, the circumstances of the injury require further investigation.

**Injury Leave for Officers not Holding a Substantive Appointment**

15.4.82 We have further recommended in our 1998 Report that officers not holding a substantive appointment should be eligible for injury leave with pay, up to a maximum of 15 days, although they have not completed one year's continuous service, provided the procedures set out in the existing regulations are followed.

15.4.83 The implementation of this recommendation has not, so far, given rise to practical problems and we are, therefore, maintaining it.

**Recommendation 20**

**15.4.84** We recommend that officers not holding a substantive appointment should be eligible for injury leave with pay, up to a maximum of 15 days, although they have not completed one year's continuous service, provided that the procedures set out in the existing regulations and at paragraph 15.4.81 (i) to (v) above are followed.

**\*\*\*\*\***



## **5. Working Week, Flexitime, Workers on Shift/Roster/ Staggered Hours and Overtime**

### **Working Week**

15.5.1 The standard working week in the Public Sector is currently as follows:

- (i) Officers in the Workmen's Group and other manual grades (excluding Watchmen): 40 hours
- (ii) Watchmen: 60 hours
- (iii) Officers classified as working on shift: 40 hours or a multiple of 40 hours, where the shift covers a cycle.
- (iv) Officers classified as working on roster and staggered hours: Not less than 33 3/4 hours and not more than 40 hours as specified by Responsible Officers.
- (v) Disciplined Forces: As specified by Responsible Officers.
- (vi) All other officers: Between 33 3/4 hours and 40 hours as specified by the Responsible Officer.
- (vii) Any worker may be required to work on a six-day week basis, provided the normal working week is in accordance with provisions (i) to (vi) above.

15.5.2 Shift workers may be made to work on roster or at staggered hours, if the exigencies of the service so require.

### **Recommendation 1**

**15.5.3 We are maintaining the provisions currently in force.**

### **Hours of Attendance**

15.5.4 Hours of work are essential standards of employment conditions. Each organisation schedules its employees starting and departure times accordingly in order to meet its operational requirements. It is very important, therefore, that a good attendance record be maintained to monitor effective attendance and punctuality, two measures of considerable significance, reflecting the commitment of employees and the esteem of the organisation in the eyes of its customers.

15.5.5 The normal hours of attendance for full time employees are as follows:

**For officers in a Ministry/Department operating on a five-day week basis:**

**Monday to Friday : 8.45 a.m. to 4.00 p.m. with half an hour for lunch**

**For officers in a Ministry/Department operating on a six-day week basis:**

**Monday to Friday : 9.00 a.m. to 3.30 p.m. with half an hour for lunch**

**Saturday : 9.00 a.m. to noon**

**Officers in the Workmen's Group putting in 40 hours weekly generally work the following hours:**

**Monday to Friday : 7.00 a.m. to 3.15 p.m. with one hour for lunch**

**Saturday : 7.00 a.m. to 10.45 a.m.**

- 15.5.6 It has been noted with concern that many employees have developed a pattern of tardiness both at the beginning of the workday and on return from lunch breaks. Punctuality has thus become a casualty. To combat this problem, some Ministries/Organisations are introducing time clocks in lieu of attendance books. These, however, should be adequately monitored to ensure that officers accurately show their actual times of arrival and departure. **Excessive/regular tardiness should be addressed to correct a situation that if uncorrected may require disciplinary action.**

**Recommendation 2**

**15.5.7 We recommend:**

- (a) that as far as possible and practicable, all Ministries/Departments should introduce time clocks to monitor more correctly time of arrival and departure as well as time of absence from office;
- (b) the introduction of a flexitime pattern of work as another measure to combat tardiness, which is often linked to a transport or family structure problem;
- (c) that, for the months of July to December 2003, excessive/regular tardiness should be addressed by counselling and, if repeated, by reprimand; and
- (d) that, as from January 2004, the duration of lateness, including lateness after lunchtime as well as unavailability due to early departure, should be computed on a monthly basis and deducted from leave entitlement. For every hour of lateness/unavailability, one hour should be deducted from Casual Leave entitlement. Should the officer have no Casual Leave, the deduction should be made from the Vacation Leave entitlement. These provisions would, however, not apply for those officers who regularly put in additional hours of work, before or after office hours, without any extra remuneration.

**15.5.8** We further recommend that subject to approval of management, notwithstanding paragraph 15.5.7(d) above, and whether flexitime is introduced or not, an officer may be made to refund his tardiness hours by putting in additional hours, when possible and desirable, if it is in the interest of the service.

**15.5.9** Management may also agree with staff on (a) an extension of lunchtime up to 45 minutes provided the departure time is extended correspondingly; and (b) an earlier lunchtime provided the duration of lunchtime is adhered to.

**15.5.10** On the other hand, employees, up to a certain level, who are required to work in excess of their basic week should be properly compensated for the excess hours. This issue is addressed in the section dealing with overtime and extra duty allowances.

**Flexitime**

**15.5.11** Since its 1993 Report, the Bureau has been advocating the introduction of flexitime in the service i.e. the system of working a fixed number of hours with flexibility in the time of arrival and departure of the employee provided he attends office within a core time during the working day.

However, up to now, we are not aware of its application in any Ministry or Department or any other public sector organisation.

- 15.5.12 The Bureau still maintains that the introduction of flexitime has several advantages and would be beneficial to both employees and organisations. It would relieve officers of their routine stress and help them to better manage the balance between work commitments, family responsibilities and lifestyle choices to the advantage of the service. Today's workforce increasingly consists of women, and workers in alternative family structures, such as single-headed and dual-earner families. Faced with more pressing demands from both the workplace and home, these employees must often divide time between these two competing interests. Among those most likely to benefit from greater workplace flexibility are prime working-age women, women household heads, and employees in two-earner families. Employees who would prefer this work pattern should, if possible, be allowed to make that choice which would help them to better cope with both the work and the household and child care responsibilities.

**Recommendation 3**

- 15.5.13 **We again recommend that, subject to the approval of the Ministry of Civil Affairs and Administrative Reforms and after consultation with the Staff Side, Ministries/Departments/Organisations should expedite the introduction of flexitime where demand exists and resources permit.**

- 15.5.14 It must be pointed out that the application of flexitime would involve the following responsibilities for management:

- (a) introduction of irregular workweek whereby employees have early arrival times and late departure times;
- (b) ensuring that there is adequate office coverage during official hours and that customer service and work requirements are not adversely affected by employee participation in alternative work schedules;
- (c) ensuring that employee participation in alternative work schedules is equitable and consistent across work units within the organisation;
- (d) complying with all procedural requirements on certification of time and attendance and work schedules;
- (e) communicating and seeking mutual agreement with the employee on work schedules;
- (f) planning office workflow to ensure that there is productive work for employees to perform;

- (g) suspending an employee's alternative work schedule when workload requirements, temporary duty, or training preclude participation;
  - (h) informing employees as soon as practicable of any modifications in work schedule; and
  - (i) making a concerted effort to schedule office meetings during core hours.
- 15.5.15 It would also be the responsibility of management to ensure monitoring and supervision in establishing work hours, prohibit abuses and take correcting measures if abuses occur.
- 15.5.16 Employees on the other hand would be responsible for:
- (a) complying with all procedural requirements regarding certification of time and attendance and work schedules to which they are assigned;
  - (b) communicating and seeking mutual agreement with the supervisor on work schedules; and
  - (c) maintaining records of daily time and attendance in accordance with office procedures.

**Workers on Shift, Roster and Staggered Hours**

15.5.17 The growth of economic and socio-cultural activities is increasing the requirement of continuous or semi-continuous operation of a whole range of public services namely those responsible for communications, the provision of information, health services, safety and security or public transport. This has an increasing effect on the opening and operating times of a number of establishments and services. To provide service beyond normal hours of work or to provide continuous service, it is necessary to provide a system of successive or overlapping shifts or the staggering of hours of work.

**Definition**

- 15.5.18 **Shift work** is a flexible working arrangement whereby workers normally work 40 hours weekly, or an average of 40 hours weekly in a cycle. These workers work in relays on a 24-hour basis invariably including night duty and work on Sundays and Public Holidays.
- 15.5.19 **Workers operating on a roster basis** do not work on a 24-hour basis but according to plan specifying the commencing times and finishing times of turns of duty which include night duty or not. **Workers operating on roster (day)** are those whose turn of duty starts either at or after 4 a.m. or goes up to 8 p.m. **Workers operating on roster (day and night)** are those whose turn of duty may start either before 4 a.m. or extend beyond 8 p.m.

15.5.20 **Workers categorised as working at staggered hours** work normal hours but are called upon to work on a regular basis at irregular hours against time off during their normal working hours.

15.5.21 **Night work** means work which is performed during a period of not less than seven consecutive hours, including the interval from midnight to 5 a.m.

**Present Position**

15.5.22 Workers on shift and workers employed on a roster basis whose day off coincides with a Public Holiday other than a Sunday are given an additional day off. Those who work on a Public Holiday other than a Sunday are granted two days off.

15.5.23 Shift workers and workers on roster, who cannot be granted days off for work performed on a Public Holiday other than a Sunday, or when their day off coincides with a Public Holiday other than a Sunday, are paid as follows:

- (a) one day's pay for a day off coinciding with a Public Holiday other than a Sunday; and
- (b) two days' pay for actually working a whole shift/roster on a Public Holiday other than a Sunday.

15.5.24 Further, when a shift or roster covers part of a Public Holiday other than a Sunday and part of a normal working day, officers working on that shift or roster are granted:

- (i) no compensation for working up to two hours on a Public Holiday other than a Sunday;
- (ii) half day's off or half day's pay or working more than two hours and up to four hours on a Public Holiday other than a Sunday;
- (iii) one day's off or one day's pay for working more than four hours and up to eight hours on a Public Holiday other than a Sunday; or officer may accrue one additional day of casual leave;
- (iv) two days' off or two days' pay whenever they work eight hours or more on the Public Holiday or officer may accrue two additional days of casual leave;
- (v) a maximum of three days off or three days' pay for working for a continuous period of 24 hours spread over two consecutive Public Holidays other than a Sunday or officer may accrue three additional days of casual leave.

15.5.25 The maximum accrual of additional casual leave is five days and the officer should be granted this leave within the same year. The computation for the leave accruals is separate from any other form of leave.

- 15.5.26 Days off granted for work performed on a Public Holiday other than a Sunday and in respect of days off coinciding with a Public Holiday other than a Sunday are considered as approved leave for the purpose of computation of overtime.
- 15.5.27 Workers who may wish to exchange shifts or rostered days off by mutual agreement and with the consent of their supervisors are allowed to do so provided the arrangement does not give any employee an entitlement to the payment of overtime.
- 15.5.28 With a view to introducing a uniform system of recording, the normal entitlement of sick/casual leave of all shift workers is presently converted into the corresponding number of hours on the basis of one day being equal to eight hours work. For absence on any shift, the exact number of hours the shift worker was scheduled to work is deducted from his sick/casual leave entitlement. However, the officer may be given the option to reimburse by working additionally the number of hours in excess of the eight hours, in lieu.

**Recommendation 4**

- 15.5.29 **We recommend that all the provisions at paragraphs 15.5.22 to 15.5.28 governing workers on shift, roster and staggered hours be maintained.**

**15.5.30 We further recommend that Management should, wherever appropriate, revisit their shift schedules to ensure as far as possible that:**

- (a) shift starts or ends at times which would be convenient to both management and employees in the interest of the service;**
- (b) public transport is/would be available within a reasonable time; and**
- (c) unduly long shifts, without lying in period be avoided.**

**15.5.31 The following ergonomic measures are also recommended where shift involves night work:**

- (a) in no case should two consecutive full time shifts be performed, except in case of ‘force majeure’;**
- (b) except for disciplined forces, a rest period of at least 11 hours between two shifts should be guaranteed as far as possible; and**
- (c) permanent nights should be minimised.**

#### **Compensation for Shift Work/Roster/Staggered Hours**

15.5.32 Compensation for shift, roster and staggered hours have been considered and integrated in the compensation package recommended for the concerned grades.

15.5.33 It is, therefore, in the interest of the service that officers classified **on shift, roster or staggered hours** effectively work according to these patterns except where special provisions have been made.

#### **Recommendation 5**

**15.5.34 We recommend that Management should ensure regular rotation of staff of such categories in a spirit of equity to all employees.**



**Computation of One Day’s Pay**

15.5.35 Presently, one day’s pay in respect of workers on shift/roster is calculated as follows:

$$\frac{\text{Monthly Salary}}{30}$$

**Recommendation 6**

15.5.36 We recommend that the mode of calculation of one day’s pay in respect of workers on shift/roster should be eight times hourly rate. The hourly rate should be computed as follows:

$$\frac{\text{Annual salary for the financial year}}{52 \times 40}$$

**Compensation for Night Shift**

15.5.37 Representations have been received from Staff Associations for additional compensation in respect of night shift, outside salaries. We consider that there is ground for the introduction of appropriate extra provisions for compensating workers classified as shift workers and who effectively perform night work. *We have introduced new allowances in respect of shift workers performing night work, i.e. effectively working seven consecutive hours including the hours of midnight and 5 a.m., and have made specific provisions for such in the Chapter concerning respective Ministries in Volume II of this Report.*

**Recommendation 7**

15.5.38 We recommend that, subject to the exigencies of the service, employees not falling in areas of high turnover/scarcity who have completed 25 years on shift work may be accorded special consideration with respect to posting for day work, if available.

15.5.39 We further recommend that shift workers who have spent a considerable number of years as night workers should be accorded special consideration with respect to opportunities for voluntary early or phased retirement, subject to the exigencies of the service, provided they are 50 years or more.

15.5.40 We also recommend that the night shift allowance should not be paid to employees working overtime or who are paid any other allowance by whatever name called for work performed from 11 p.m. to 5 a.m.

### **Overtime**

15.5.41 In the last report we commented and made recommendations on the general issues that should govern overtime as well as the means of controlling excesses. We are elaborating once more on these issues.

### **General Principles**

15.5.42 Overtime work is work undertaken over and beyond an officer's normal working hours. The general principles governing the payment for overtime in the civil service may be summarised as follows:

- (a) Overtime work should be kept to a minimum and should only be undertaken when unavoidable.
- (b) Overtime work may be recompensed by time off in lieu of payment.
- (c) Employees would not work overtime unless specifically requested to do so by their Supervisors.
- (d) When requested, employees would have to work overtime in the interest of the service.
- (e) Senior Officers of certain levels are not eligible to payment of overtime.

### **Control of Overtime**

15.5.43 Overtime is occasionally necessary to get the job done but excessive overtime is hurtful to taxpayers. Every attempt should, therefore, be made to schedule workload so that the need for overtime is kept to a minimum. However, situations may arise which make overtime unavoidable such as staff illness, special projects, and emergencies. Improved monitoring should ensure that the use of overtime when performed is in effect the most cost-effective way to meet goals and responsibilities.

### **Recommendation 8**

**15.5.44 To control overtime, we recommend that Management should subject to the concurrence of the Ministry of Civil Service Affairs and Administrative Reforms, arrange for work shifts/pattern of work to be changed for work of long or continuous duration that need to be completed after normal working hours.**

### **Recommendation 9**

**15.5.45 We further recommend that Management should:**

- (a) ensure that reports and records be improved to strengthen the accountability of overtime use;
- (b) develop procedures and standards for evaluating when an unscheduled absence in identified posts may require scheduling officers for overtime work;
- (c) identify posts which may not need scheduling officers for overtime if workload is light; and
- (d) adequately monitor overtime on an individual basis to prevent employees from working excessive overtime.

**Recommendation 10**

**Administration of Overtime Payment**

**15.5.46** We also recommend that overtime must be authorised in advance by an officer who is himself not eligible for overtime. Records should be kept of the work performed during an overtime period and the actual times at which an officer commences and ceases to work overtime.

**Eligibility for Overtime**

15.5.47 Employees except those in the grade of Watchmen qualify for overtime allowance after having performed more than 40 hours' work in a week.

15.5.48 Employees who normally put in less than 40 hours weekly are paid overtime allowance for any work done in excess of their normal hours provided they work in excess of 40 hours in a week.

15.5.49 Employees who normally put in less than 40 hours weekly, and who work overtime for a continuous period of over one week, are paid for any work done in excess of their normal hours of work, provided they have worked an average of 40 hours a week during the period of overtime.

**Recommendation 11**

**15.5.50** We are maintaining the present eligibility for the payment of overtime.

**Overtime for Shift Work**

15.5.51 The present practice regarding overtime for shift workers is as follows:

- (a) a shift worker is not entitled to overtime allowance for any work performed on Sundays and other Public Holidays except where such work is performed in excess of the normal hours for the day or falls outside his shift;

- (b) a shift worker is not required to perform more than six days' work in a week;
- (c) shift workers are paid overtime at approved rates for work in excess of 40 hours in a week, where the shift is of 40 hours weekly; and for work in excess of the appropriate multiple of 40 hours, where the shift covers a cycle; and
- (d) Watchmen are paid overtime at approved rates for work in excess of 60 hours in a week.

**Recommendation 12**

**15.5.52 The present provisions for shift workers are maintained.**

**Salary Barrier for Overtime**

15.5.53 Presently, officers drawing less than Rs 14470 monthly are entitled to payment of overtime allowances.

**Recommendation 13**

**15.5.54 We recommend that officers drawing basic salary of less than Rs 19400 be eligible for the payment of overtime allowances.**

**15.5.55 Furthermore, we recommend that officers drawing basic salary from Rs 19400 to Rs 27200 monthly, who are required to work beyond their normal working hours owing to the nature of their duties for the execution of urgent tasks or for completion of work which cannot be postponed, should be paid the hours of overtime at 75% of the prescribed rate, subject to the approval of the Ministry of Civil Service Affairs and Administrative Reforms.**

**Overtime Rates and Computation of Overtime**

15.5.56 Overtime allowance is based on the actual number of hours put in and the number of hours which the officer is deemed to have worked, as the case may be. A worker, on approved leave on any working day, is deemed to have put in eight hours of work or the number of hours he should have worked on that day, whichever is less. A non-shift worker is deemed to have put in 8 hours of work or the number of hours of work he should normally have worked, whichever is less, in respect of every public holiday falling on a weekday.

15.5.57 Where an officer performs the duties of a higher office, overtime allowance is computed on the basis of the total emoluments of the officer, inclusive of any acting or responsibility allowance drawn by him.

15.5.58 The rates for payment of overtime are presently as follows:

<b>Period</b>	<b>Hourly Rate</b>
Between 6 a.m. and 11 p.m. on weekdays	1/120 of monthly pay
Between 11 p.m. and 6 a.m. on weekdays	1/90 of monthly pay
On Sundays or Public Holidays and officially declared cyclone days	1/90 of monthly pay

15.5.59 The rates and methods of computing overtime are being revised as follows:

**Recommendation 14**

15.5.60 We recommend that payment of overtime should henceforth be at the following rates:

<b>Period</b>	<b>Hourly Rate</b>
Between 6 a.m. and 11 p.m. on weekdays	1.5 times of hourly rate
Between 11 p.m. and 6 a.m. on weekdays	twice hourly rate
On Sundays or Public Holidays and officially declared cyclone days	twice hourly rate

15.5.61 Hourly rate should be calculated on the following basis:

(a) For Workmen’s Group and Shift Workers

$$\frac{\text{Annual salary for the financial year}}{52 \times 40}$$

(b) For Watchmen

$$\frac{\text{Annual salary for the financial year}}{52 \times 54}$$

(c) All Other Workers

$$\frac{\text{Annual salary for the financial year}}{52 \times 33.75}$$

15.5.62 We further recommend that the working week for computation of overtime should be as specified at paragraph 15.5.1.

**Overtime Allowance in the Disciplined Services**

15.5.63 Officers of the Disciplined Forces (Fire, Police, Prison) are not eligible for overtime allowance but are paid a commuted allowance in connection with special assignments.

**Recommendation 15**

15.5.64 We are maintaining the present practice.

\*\*\*\*\*

## 6. Special Duty Allowance and Extra Duty Allowance

- 15.6.1 The hours of duty of senior officers are not regular and they are generally required to hold themselves in some degree of readiness for recall to duty. They are not entitled to overtime allowance but are paid an *ad hoc* Special Duty Allowance which is based on overtime rates when they are given special assignments or perform duties extraneous to their schemes of service.
- 15.6.2 Middle Management Officers also have to work under exceptional pressure and extra and irregular hours in connection with special assignments such as conferences, enquiries, seminars and workshops; or are often required to undertake work not within the normal scope of their schedule of duties for which they are paid Extra Duty Allowance at a discounted rate, as recommended in the previous chapter, since they are not eligible for overtime.
- 15.6.3 We maintained in our last report that overtime allowance is meant for those officers performing mainly manipulative activities where machines are used or for work of a repetitive nature or for such activities which can be increased proportionately with time. However, the kind of work which requires mental effort, particularly from officers of a certain level in the hierarchy, cannot be assessed merely by the amount of time spent thereon. If such is the case, the inefficient might be better rewarded than the efficient who completes his work normally in less time.

### Recommendation

- 15.6.4 **We are, therefore, maintaining our recommendation that officers, not eligible for overtime, who work under exceptional pressure and extra and irregular hours for timely completion of projects and in connection with special assignments such as conferences, enquiries, seminars and workshops, or, who undertake work not within the normal scope of their schedule of duties, be eligible for an Extra/Special Duty Allowance which should be based on both effort and time but not exclusively related to time in a uniform manner, subject to the approval of the Ministry of Civil Service Affairs and Administrative Reforms.**

\*\*\*\*\*

## 7. SALARY ON PROMOTION

- 15.7.1 At present, grade-to-grade promotion in general is marked by three increments. Class-to-class promotion, where appointment to the higher level is made from among officers in a single grade below, is equally marked by three increments. However, as regards class-to-class promotion where appointment to the higher level is made from officers in various grades, the officer joins the initial or the flat salary of the higher scale, or, in the case of an officer promoted to a higher scale which overlaps his original scale, he is allowed to enter the higher scale at the next higher point to the point he was on his original scale.
- 15.7.2 With the implementation of the above provisions, which came into force on 1 July 1998, the salaries of officers promoted/appointed prior to 1 July 1998 in a grade- to-grade situation or in a class-to-class situation where the appointment was made from officers in a single grade and having benefited from only one increment on promotion and drawing salaries less than their colleagues promoted on or after that date were adjusted so that they draw the same salaries as their colleagues promoted/appointed on or after 1 July 1998.
- 15.7.3 According to the Personnel Management Manual (PMM), the terms ‘promotion’, ‘class-to-class promotion’ and ‘grade-to-grade promotion’ are defined as follows:
- (i) *‘promotion’ means the conferment upon a person in the public service of a public office to which is attached a higher salary or salary scale than that attached to the public office to which he was last substantively appointed or promoted.*
  - (ii) *‘class-to-class promotion’ means promotion to a rank which entails greater responsibilities of a different nature to those previously undertaken and performed.*
  - (iii) *‘grade-to-grade promotion’ means promotion to a higher grade in the same hierarchy which entails greater responsibilities of the same nature to those previously undertaken and performed.*
- 15.7.4 Promotion, which involves performance of higher duties and assuming a higher level of responsibility, needs to be adequately compensated. However, our current recommendations make provision for two distinct modes of compensation on promotion. One category of officers is benefiting from an increase of three increments on promotion while another category of officers is benefiting from an increase of only one increment on promotion.
- 15.7.5 In the context of this review exercise, representations have been received from both the official and staff sides to the effect that all forms of promotion should be accompanied by three increments



irrespective of whether it is class-to-class or grade-to-grade subject to the maximum of the top salary of the promotional grade. It has been argued that in the case of class-to-class situation where the officers promoted come from various grades, the extra effort put in and the higher responsibility shouldered is not being adequately recognised and compensated. On promotion, an officer obviously assumes more responsibility and is expected to be more proficient on account of the demand at the higher level of operations.

15.7.6 There is also evidence that, in the case of class-to-class promotion, where the officers come from various source grades, certain officers promoted to a post are already drawing salaries higher than their colleagues promoted before them even without the grant of any additional increment on promotion. Furthermore, even with the present provision of the grant of one increment, a junior officer, in certain cases may be drawing a salary higher than a senior officer and the salary of the senior officer is not being adjusted.

15.7.7 We have re-examined the whole issue and after careful consideration, we believe that the grant of three increments may be extended to class-to-class promotion subject to certain provisions.

**Recommendation 1**

**15.7.8** We recommend that, in general, all promotion should be marked by an increase in salary representing at least three increments subject to the provisions of paragraph 15.7.9 below. An officer on promotion, should join the initial or flat salary of the higher scale or be granted three increments worth at the incremental point reached in the lower post (to be read from the master scale) whichever is higher, provided the total emoluments of the officer should not be less than the initial salary and not more than the maximum salary of the higher post.

**15.7.9** However, the above recommendation should not apply in the following cases:

- (i) Where an officer has benefited from three increments as a result of a grade-to-grade promotion and is subsequently promoted in a class- to- class grade within a period of two years and supersedes salarywise a former colleague from the source grade who has been promoted to the new class before him, the officer should be granted only one increment on promotion.
- (ii) Where recruitment to a grade, by virtue of the scheme of service or arrangement in force, is or may be done by selection both from serving officers and outside candidates in a same exercise, the serving officer should be granted one increment on promotion.
- (iii) Where a serving officer applies for a grade in the service requiring qualifications of a completely different line than those of his grade, such as a Clerical Officer applying for the grade of Engineer, the officer should, on appointment, join the grade at the initial of the scale or retain the salary of his previous grade, whichever is the higher.

**Recommendation 2**

**15.7.10** We further recommend that the salary of officers coming from various grades and promoted/appointed in a class-to-class situation, other than those mentioned at paragraph 15.7.9, prior to the date of implementation of the recommendation at paragraph 15.7.8, and who have benefited from only one increment, be adjusted hypothetically up to the date preceding the one on which the recommendation is implemented. The hypothetical salary then arrived at should be converted in the normal manner in the master conversion table on the date the recommendation at paragraph 15.7.8 is implemented. However, the adjusted salary should not exceed the last point in the salary scale of the promotional grade.

\*\*\*\*\*

## 8. Incremental Credit

### Incremental Credit for Experience

- 15.8.1 In the 1998 PRB Report, the grant of incremental credit for experience acquired, under supervision, before entry into the civil service has been recommended under specific conditions.
- 15.8.2 The four categories of experience mentioned below have been identified for such eligibility:
- (i) for post-registration experience of professionals such as in the case of Medical and Health Officers, Dental Surgeons etc.;
  - (ii) for experience after having obtained the right to practice from the appropriate registered professional body or council as in the case of Architects, Engineers, etc.;
  - (iii) for post-qualification experience acquired by other categories of graduates who do not normally require registration or authorisation before practice; and
  - (iv) for post-qualification experience in a recognised hospital to fully qualified nurses.
- 15.8.3 The implementation of the above recommendation has been fraught with several problems in terms of the maximum number of increments to be granted, the type of experience that could be accepted and the issue of documentary evidence to be produced. To address the issue and to render the grant of incremental credit for experience acquired prior to entry in the service more practicable, equitable and consistent, we are redefining our philosophy and, in general, we are limiting the grant of incremental credit, for experience to a maximum of three in line with those for additional qualifications and on promotion. We are also making provisions, for some flexibility, in respect of specific cases where organisations have reported scarcity problems in the recruitment of certain categories of officers.

### Recommendation 1

- 15.8.4 **We recommend the grant of one incremental credit for each year of relevant experience acquired before entry into the service up to a maximum of three for all categories of employees eligible under paragraph 15.8.2. However, consideration may be given for the extension of incremental credit for experience beyond three increments where the organisation encounters difficulty in the recruitment and retention of officers in the concerned grade.**

**15.8.5 Applicants should, however, provide evidence of their experience, which should have been acquired locally or outside Mauritius, under licensed private practice or in a legally recognised institution or firm.**

15.8.6 In our 1998 Report, we also recommended the setting up of a Standing Committee, under the chairmanship of the Ministry of Civil Service Affairs and Administrative Reforms comprising representatives of the Ministry/Department concerned and the Pay Research Bureau to examine applications for incremental credit for experience acquired prior to joining the service and make awards as appropriate.

### **Recommendation 2**

**15.8.7 We recommend that the Standing Committee set up following the 1998 PRB Report, under the chairmanship of the Ministry of Civil Service Affairs and Administrative Reforms, comprising the Ministry/Department concerned and the Pay Research Bureau, be maintained and continues to examine applications for incremental credit for experience acquired prior to joining the service and make awards as appropriate.**

### **Incremental Credit for Temporary Service**

15.8.8 One incremental credit is granted for each completed year of temporary service in the same capacity as that in which the substantive appointment lies, to all officers, whether on first appointment or not, under certain conditions.

15.8.9 As this recommendation is fair and has generally given satisfaction we are, in this Report, maintaining the same provisions for incremental credit for temporary service.

### **Recommendation 3**

**15.8.10 We recommend the grant of one incremental credit for each completed year of temporary service in the same capacity as that in which the substantive appointment lies, to all officers, whether on first appointment or not, provided that:**

- (a) such service is continuous;
- (b) the adjusted salary is not higher than what the officer would have drawn had he been appointed in a substantive capacity on joining the grade concerned;
- (c) in case of first appointment, eligible officers appointed on or after 1 July 2003 do not draw a higher salary than officers appointed in the same capacity before 1 July 2003 and having a similar period of service or more; and

- (d) such incremental credit is payable as from the date the officer is appointed substantively in the post or the date of confirmation, as applicable.

#### Incremental Credit for Additional Qualifications

15.8.11 A Standing Committee set up under the chairmanship of the Ministry of Civil Service Affairs and Administrative Reforms and comprising representatives of the Ministry of Finance, the Mauritius Qualification Authority, the Pay Research Bureau and where necessary, the Ministry/Department/Organisation concerned, determines the award of incremental credits for additional qualifications and pronounces on any problem related thereto.

15.8.12 The present conditions for the grant of incremental credit for additional qualification are as follows:

- (a) only a qualification which is directly relevant to the duties of the grade and which is higher than the qualifications specified in the scheme of service for the grade; and
- (b) has been obtained as a result of studies, whether carried on one's own or as a result of a fellowship, of at least one academic year duration, full time or its equivalent in terms of contact hours/part-time studies, qualifies for incremental credit subject to the following conditions:
- (i) the additional qualifications are obtained following an examination duly recognised by the Mauritius Qualification Authority or National Accreditation and Equivalence Council;
- (ii) where different qualifications are laid down in a particular scheme of service, the highest one is taken as the basic qualification for the purpose of determining eligibility for incremental credit;
- (iii) only officers holding a substantive appointment who are on incremental scale are considered for the grant of incremental credit for additional qualifications;
- (iv) no incremental credit for additional qualifications is granted to officers drawing a flat salary or who have already reached the last point in their salary scale;
- (v) the number of incremental credits for additional qualifications should in no case exceed three. Subject to recommendation (vi) below, increments are granted as follows:

*for additional qualifications requiring:*

- (a) up to two years' study full time or equivalent part-time - One increment
- (b) above two years' up to three years' study full time or equivalent part-time - Two increments (inclusive of the increment at (a))
- (c) above three years' study full time or equivalent part-time - Three increments (inclusive of the two increments at (b) )
- (vi) the number of incremental credits to be granted in respect of certain specialist qualifications (e.g. doctors) is determined by the Standing Committee, on a case to case basis subject to a maximum of three increments.

15.8.13 In a few cases the Standing Committee could not consider the grant of incremental credits because the qualifications were only partly relevant. We are bringing amendments to cater for those qualifications which are in part directly relevant to the duties of the post.

**Recommendation 4**

**15.8.14 We recommend that:**

- (a) **qualifications which are fully, or part of which are directly, relevant to the performance of the duties of the grade and which are higher than the qualifications specified in the scheme of service for the grade; and**
- (b) **have been obtained as a result of studies, whether carried on one's own or as a result of a fellowship, of at least one academic year duration, full time or its equivalent in terms of contact hours/part-time studies would qualify for incremental credit subject to the following conditions:**
  - (i) **the additional qualifications are obtained following an examination and duly recognised by the Mauritius Qualification Authority or National Accreditation and Equivalence Council;**
  - (ii) **where different qualifications are laid down in a particular scheme of service, the highest one would be taken as the basic qualification for the purpose of determining eligibility for incremental credit;**
  - (iii) **only officers holding a substantive appointment who are on incremental scale would be considered for the grant of incremental credit for additional qualifications;**

- (iv) **no incremental credit for additional qualifications would be granted to officers who have already benefited from incremental credits for the same qualification in another capacity;**
- (v) **the number of incremental credits for additional qualifications would in no case exceed three. Increments would be granted as follows:**

**For additional qualifications requiring:**

- |     |   |   |  |
|-----|---|---|--|
| (a) | <b>up to two years' study full time or equivalent part-time</b>                   | - | <b>One increment</b>   |
| (b) | <b>above two years' up to three years study full time or equivalent part-time</b> | - | <b>Two increments (inclusive of the increment at (a))</b>        |
| (c) | <b>above three years' study full time or equivalent part-time</b>                 | - | <b>Three increments (inclusive of the two increments at (b))</b> |

15.8.15 In our 1998 Report, we recommended that no incremental credit for additional qualifications would be granted to officers drawing a flat salary or who have already reached the last point in their salary scale. We have received representations to reconsider the case of such officers. The Bureau has re-examined the issue and concurs with the view that there is need to compensate these officers as an incentive for further learning. However, in view of the nature of these cases we are providing for the payment of a non-pensionable lump sum to these officers.

**Recommendation 5**

15.8.16 **We recommend, in lieu of incremental credit, the payment of a non-pensionable lump sum equivalent to twelve times the value of the last increment to officers who have obtained an additional qualification after having reached the last point in their salary scale subject to the conditions laid down at paragraph 15.8.14.**

15.8.17 In our 1998 Report, we also recommended that the provisions set at paragraph 15.8.12 (b) (i) to (v) of the Report should apply for an academic qualification which is higher than the qualifications prescribed in the scheme of service in respect of entry grades requiring at least the Cambridge School Certificate. We are now amending these recommendations.

**Recommendation 6**

15.8.18 **We recommend that the provisions set out at paragraph 15.8.12 (b) (i) to (v) be extended to holders of academic qualifications which are higher than the qualifications prescribed in**



**the scheme of service in respect of entry grades requiring at least the Cambridge Higher School Certificate or two ‘A’ levels, where the qualification is: (i) obtained after at least one academic year duration on a full time basis or its equivalent part-time; (ii) from a recognised institution; and (iii) of relevance to the duties of the grade and deemed to increase the potential of the officer in the performance of his duties.**

15.8.19 Officers in the Workmen’s Class are eligible for incremental credits even if the duration of the training course leading to additional relevant craft certificate is of less than one academic year.

#### **Recommendation 7**

**15.8.20 We recommend that the existing provisions regarding Workmen (General Grades and Tradesman) be maintained.**

#### **Incremental Credit for Specialist Qualifications**

15.8.21 The Bureau has received representations that the duration of studies leading to specialist qualifications undertaken by Medical and Health Officers/Senior Medical and Health Officers differ from one country to another and thus the number of increments to be granted to the officers concerned is not clear.

15.8.22 In several countries a specialist qualification is obtained after three years of study. However, in other countries some Medical and Health Officers/Senior Medical and Health Officers take less than three years while others take more than three years of study to obtain the specialist qualifications.

15.8.23 We are proposing a standard quantum of incremental credits to be paid irrespective of the length of study.

#### **Recommendation 8**

**15.8.24 We recommend the grant of two incremental credits to Medical and Health Officers/Senior Medical and Health Officers on obtention of a specialist qualification provided that the criteria laid down at paragraph 15.8.14 are satisfied.**

#### **Incremental Credit for Additional Qualifications in Parastatal and other Statutory Bodies and Local Authorities**

15.8.25 In our 1998 Report we recommended that Management of Parastatal and other Statutory Bodies and Local Authorities should take immediate action to determine all outstanding applications for the award of incremental credit for additional qualifications in their respective organisations. We

also recommended that all cases in dispute in Parastatal and other Statutory Bodies and Local Authorities, as regards the award of incremental credit for additional qualifications, should be referred to the Standing Committee.

**Recommendation 9**

**15.8.26 We recommend that the existing provisions for incremental credit for additional qualifications in Parastatal and other Statutory Bodies and Local Authorities be maintained.**

**15.8.27 We further recommend that all cases in dispute in Parastatal and other Statutory Bodies and Local Authorities, as regards the award of incremental credit for additional qualifications, should continue to be submitted through the parent Ministry for consideration by the Standing Committee.**

\*\*\*\*\*

## 9. Acting and Responsibility Allowances

15.9.1 Employees are asked to undertake additional duties when management requires temporary cover quickly and expediently, normally for absence on sick leave, maternity leave, career break or other extended period of leave or for a vacancy until it is filled on a permanent basis. From the staff perspective this arrangement normally provides an opportunity for development which may lead to enhanced career opportunity. However, this is not regarded as an automatic right to promotion.

### Acting Allowance

15.9.2 At present an officer who is appointed to act in a higher office by the appropriate Service Commissions or by the Supervising Officer under power delegated by the appropriate Service Commissions is granted an acting allowance subject to certain conditions. The computation of acting allowance is as follows:

- (i) Where the acting appointment relates to a grade-to-grade situation, the allowance represents the difference between the initial or flat salary of the higher post and the substantive salary provided the allowance is not less than three increments worth at the incremental point reached in the substantive post. Where the salary scales overlap, the allowance is three increments worth at the incremental point reached in the substantive post provided the total emoluments of the officer is not less than the initial salary and not more than the maximum salary of the higher post.
- (ii) Where the acting appointment relates to a class-to-class situation and the acting appointment is made from officers in a single grade below, the computation of acting allowance is as set out at paragraph 15.9.2 (i) above.
- (iii) Where the acting appointment relates to a class-to-class situation and the acting appointment is made from officers that may come from various grades, the acting allowance represents the difference between the initial or flat salary of the higher post and the actual salary drawn by the officer in his substantive post. Where the substantive salary exceeds the initial salary of the higher scale, the allowance represents the difference between the next higher point in the higher salary scale immediately above the officer's salary point and the actual salary drawn by him in his substantive post.

15.9.3 Based on the definition of "class-to-class promotion" and "grade-to-grade promotion" as laid down in the Personnel Management Manual (PMM), the terms "class-to-class situation" and "grade-to-grade situation" have, for the purpose of this exercise, been defined as follows:

- (i) "Class-to-class situation" relates to an actingship in a higher office, which entails greater responsibilities of a different nature to those previously undertaken and performed.
- (ii) "Grade-to-grade situation" means actingship in a higher office in the same hierarchy, which entails greater responsibilities of the same nature to those previously undertaken and performed.

**Representations**

- 15.9.4 In the context of this review exercise, representations have been received to the effect that all acting and responsibility allowances should be accompanied by at least three increments irrespective of whether it is class-to-class or grade-to-grade subject to the maximum of the top salary of the promotional grade. It has been argued that in the case of acting appointment from officers coming from various grades in a class-to-class situation, the extra effort put in and the higher responsibility shouldered by the officer is not being adequately recognised and compensated. It has also been submitted that acting allowance should be paid to all officers acting in a higher capacity on a day to day basis and hence there should be no qualifying period.
- 15.9.5 In line with our recommendations for salary on promotion we are harmonising the mode of computation of acting allowance relating to both grade-to-grade and class-to-class situations.

**Recommendation 1**

- 15.9.6 **We recommend that the acting allowance payable, whether in a grade-to-grade or class-to-class situation, should represent the difference between the initial or flat salary of the higher post and the substantive salary of the officer or three increments worth at the incremental point reached in the substantive post (to be read from the master scale) whichever is higher, provided the total emoluments of the officer should not be less than the initial salary and not more than the maximum salary of the higher post.**

**Responsibility Allowance**

- 15.9.7 Where for administrative convenience, an officer is assigned the duties of a higher office by the appropriate Service Commissions, or by the Supervising Officer under power delegated by the Service Commissions, the Supervising Officer authorises payment to him of a responsibility allowance under specific conditions.
- 15.9.8 The responsibility allowance is computed as follows:

- (i) where the officer is fully qualified, the allowance is equivalent to the acting allowance;  
and
  - (ii) where the officer is not fully qualified, the allowance is 2/3 of the acting allowance.
- 15.9.9 Representations have been received that the financial benefits in connection with assignment of duties to a higher office for not fully qualified officers are nominal and ought to be revised. It has been argued that they leave little difference between supervisory and operative officials, resulting in a situation where seniors may be reluctant to assume supervisory posts.
- 15.9.10 Representations have also been received on the rigid application of the recommendation regarding acting allowance for officers not fully qualified which gives rise to a number of alleged anomalies and practical difficulties/functional problems in the implementation of the scheme. For example, certain officers are paid responsibility allowance in lieu of acting allowance, even in the case where no additional qualification is required, on the ground that it is specified in the scheme of service that appointment to the higher post should be made by selection.
- 15.9.11 We are, therefore, making appropriate recommendations to improve the allowance due to officers who are not fully qualified and to bring some flexibility into the system by removing the restrictions elaborated upon above.

**Recommendation 2**

- 15.9.12 **We recommend that the responsibility allowance payable to fully qualified officers should continue to be equivalent to the acting allowance. We also recommend that the responsibility allowance for officers who are not fully qualified should be computed at 75% of the rate of the acting allowance.**
- 15.9.13 **We further recommend that, where appointment to a higher office is made by selection and no additional qualification is required, whether in terms of academic or technical qualification or experience or in terms of physical requirements, the responsibility allowance payable to officers who are assigned the duties of the higher office should be equivalent to the acting allowance.**

**Qualifying Period**

15.9.14 The qualifying period/specific provisions regarding acting and responsibility allowances are as follows:

- (i) No acting or responsibility allowance is paid to an officer unless he acts in the higher office for a continuous period of 12 days or he has served in the same higher office previously for a continuous period of 12 days.
- (ii) An officer who performs higher duties is not eligible for acting or responsibility allowance for any period of absence exceeding 12 days at a stretch.
- (iii) An officer who performs higher duties is eligible for acting or responsibility allowance only if the assignment is for a minimum period of seven continuous days inclusive of Saturdays, Sundays and Public Holidays.
- (iv) Where an officer who is acting in a higher office proceeds on official mission overseas, he is paid a special allowance equivalent to the acting allowance he would have drawn had he not gone on mission.

**Recommendation 3**

**15.9.15 We recommend that the provisions set out above regarding Acting and Responsibility Allowances be maintained.**

**Responsibility Allowance to Officers in the Workmen's Group**

15.9.16 At present, a Supervising Officer may authorise payment of a responsibility allowance to an officer in the Workmen's Class who is required to perform the duties of a higher post. The allowance is computed on the same basis as for acting allowance as set out at paragraph 15.9.2 (i) even if the officer is not fully qualified. The allowance is paid on the actual number of days worked.

**Recommendation 4**

**15.9.17** We recommend that the computation of Responsibility Allowance in respect of officers in the Workmen's Group should be as set out for Acting Allowance at paragraph 15.9.6. The allowance should continue to be computed on the actual number of days worked and, as at present, should not be discounted even if the officer is not fully qualified.

\*\*\*\*\*

---

---

## 10. Meal Allowance

15.10.1 A meal allowance of Rs 75 is paid or meals are provided to an officer who is required to be on duty during cyclonic conditions, or to be absent overnight from his residence for duty and to an officer who is unexpectedly retained on duty for at least four hours beyond his normal working hours.

15.10.2 Representations have been made to the effect that certain officers who are retained for a few hours around dinner time after their normal day's work do not qualify for meals/meal allowances. We are reviewing the present arrangements to cater for this category of officers and revising the quantum of the allowance to be paid in lieu of meals.

### Recommendation

15.10.3 We recommend:

*either* the provision of meals where catering facilities are available

*or* the payment of a meal allowance of Rs 90 for each meal to:

- (a) officers who are required to work during cyclonic conditions; and
- (b) officers who are unexpectedly retained on duty after a normal day's work for at least 3½ hours beyond their normal working hours.

\*\*\*\*\*



---

---

## **11. Out of Pocket Allowance**

15.11.1 Officers who go on short visit officially to any of the islands forming part of the State of Mauritius are paid an "Out of Pocket allowance" to cover for incidental expenses as follows:

For officers drawing up to	Rs 13970 monthly	-	Rs 75 daily
For those drawing above	Rs 13970 monthly	-	Rs 115 daily

We consider that there is no justification in having two types of rates and we are, therefore, providing for a uniform allowance irrespective of the rank of the officer.

### **Recommendation**

15.11.2 We recommend the payment of an "Out of Pocket Allowance" of Rs 135 daily to officers going on short official visit to any of the island forming part of the State of Mauritius.

\*\*\*\*\*

---

---

## 12. UNIFORMS

15.12.1 Uniforms are distinctive clothing worn by members of an organisation or group. Uniforms can be traced back from the dawn of history when people used some external common symbols for the purpose of group identification. The term “uniform” originated from the Latin word "unus" meaning "one" and the word “form” which means shape or visible aspect, i.e. a unique shape or a unique visible aspect.

### **Benefits of Wearing Uniforms**

15.12.2 The benefits of wearing uniforms are threefold, accruing to the individual, the organisation, and society at large.

- (i) The wearing of uniforms, in itself, creates group affinity, imparts a sense of discipline, reduces expenditure on clothing items and by-passes the issues of fashion, colours, shapes and design.
- (ii) The organisation benefits from the spirit of togetherness that is conducive to the achievement of common goals. Officers are easily identified. The uniform itself shows the authority of the office and thus facilitates access to buildings and/or premises.
- (iii) The wearing of uniforms conveys the feeling that the wearer is a reliable person and is ready to assist and to be assisted. The wearing of uniforms reduces the temptation to go out of the norms or to misbehave because one is aware that one’s conduct may cast undue blame on the group or other colleagues.

### **Main Purposes for the Grant of Uniforms**

15.12.3 The main purposes for the grant of uniforms/protective clothing are:

- (i) to exercise authority, or for identification purposes;
- (ii) for protection against damage to clothing;
- (iii) because of tradition or international etiquette; and
- (iv) because the nature of duties causes a rapid wear and tear of clothing.

### **Problems Arising out of the Supply of Uniforms**

15.12.4 The problems arising from the supply of uniforms are: dissatisfaction among staff entitled to uniforms; unions' representatives/officers prefer cash in lieu of uniforms; large Ministries find it difficult to look for a solution in respect of purchasing, storing and issuing uniforms; management has not been able to enforce the wearing of uniforms by officers; officers consider the issue of

uniform as an acquired right; Ministries/Departments have not been able to issue uniforms to officers in time; tenderers have not been able to meet specifications; problems have arisen in respect of the choice of an appropriate pattern; and enforcement by management has been seen as punitive.

### Options Adopted in the Past

15.12.5 The following options have been adopted but, management is still facing problems to enforce the wearing of uniforms by eligible officers:

- (i) provision of readymade uniforms;
- (ii) the provision of materials and tailoring fees;
- (iii) payment of cash in lieu of uniforms; and
- (iv) payment of cash for the purchase of items of uniforms and for tailoring fees.

### Ad hoc Committee 2000

15.12.6 The *ad hoc* committee set up to look into representations regarding “alleged anomalies” arising out of the 1998 PRB Report and the PRB (Errors, Omissions and Clarifications) Report 1999, stated that:

*“it would, therefore, appear that any attempt to improve on the present system is “a priori” bound to fail. One would therefore tend to look for other solutions, possibly in a completely different direction.*

*Consequently, as this issue needs to be studied with a fresh approach and bearing in mind the cost/benefit implications, this exercise could best be carried out by a team headed by the Management Audit Bureau and the Committee recommends accordingly. The Committee further recommends that, pending the findings of that study, payment of a cash allowance in lieu of uniforms should continue.”*

### Ad hoc Committee 2001

15.12.7 An *ad hoc* committee 2001 under the chairmanship of the Management Audit Bureau comprising representatives of the Ministry of Civil Service Affairs and Administrative Reforms; the Ministry of Finance and the Pay Research Bureau was set up with the following terms of reference:

“To review the provision of uniforms to eligible officers and to make proposals/recommendations as appropriate, taking into consideration the following:

- (a) the problems arising out of the supply of uniforms by Management;
- (b) the implications in terms of human resource and its effectiveness;
- (c) the advisability or otherwise for the provision of materials for items of uniforms and for the payment of tailoring fees;
- (d) alternative solutions, e.g. a cash allowance to purchase uniforms of agreed pattern and colour; and
- (e) the cost-benefit of different options.”

#### **Report of *Ad hoc* Committee 2001**

15.12.8 The *ad hoc* committee 2001 submitted its report to the Ministry of Civil Service Affairs and Administrative Reforms. The committee recommended that Responsible Officers should, from the list of grades presently entitled to uniforms, determine, in consultation with the stakeholders, which of the grades should fall under one of the following categories:

##### **Either Category A**

In this case, the nature of duties warrants a means of identification/authority. Officers in this category should be required to wear uniforms.

##### **OR Category B**

In this case, the Responsible Officer in consultation with the stakeholders should decide under which circumstances and when beneficiaries should wear uniforms.

##### **OR Category C**

In this case, the nature of duties causes excessive wear and tear of clothing. Officers in this category would not, normally, be required to wear uniforms.

The *ad hoc* committee 2001 also recommended that where officers in a new grade or in a grade other than those listed at paragraph 15.12.13 overleaf should wear uniforms for exercising authority or on grounds of tradition and/or international etiquette, the Responsible Officer should obtain the approval of the Standing Committee on Uniforms. Thereafter, in consultation with the appropriate stakeholders, the Responsible Officer should arrange for the supply of all items of uniforms to such eligible officers in a cost effective manner.

15.12.9 The Standing Committee on Uniforms made an in-depth analysis of the Report of the *ad hoc* committee 2001 and referred it to the Pay Research Bureau for consideration in the context of the present Review.

---

---

**Provision of Uniforms**

- 15.12.10 Provisions of uniforms are currently being effected in accordance with the recommendations of the *ad hoc* committee set up to look into representations regarding “alleged anomalies” arising out of the 1998 PRB Report and the PRB (Errors, Omissions and Clarifications) Report 1999.

**Provision of Protective Items**

15.12.11 Protective items and equipment as well as boots are issued in accordance with the recommendations of the Standing Committee on Uniforms 1996 and the *ad hoc* Committee 2001.

**Provision of Uniforms in Rodrigues**

15.12.12 In view of the topography of Rodrigues, its specificity, and the working environment, eligible officers in certain sectors are provided an enhanced entitlement of items of uniforms.

**Provision of Uniforms in Disciplined and Semi-Disciplined Forces/Organisations**

15.12.13 The disciplinary and semi-disciplinary staff's entitlements of uniforms are dealt with according to the recommendations of the Standing Committee whereby provisions of uniforms in respect of disciplined and semi-disciplined forces/organisations and some other organisations listed below, because of their specificity and the need for compliance with international norms and requirements, are the responsibility of the appropriate organisations:

- (i) Police Department
- (ii) Prisons Department
- (iii) Fire Services Department
- (iv) Civil Aviation Department
- (v) Customs and Excise Department
- (vi) Ministry of Fisheries
- (vii) Staff of the Office of the President and the Office of the Vice-President
- (viii) Uniformed staff of the Marine Class
- (ix) Riggers of the Civil Aviation Department
- (x) Technical staff of the Ministry of Youth and Sports
- (xi) Officers of the Judicial and Legal Class
- (xii) Uniformed staff of the Postal Services
- (xiii) Officers of the Traffic Warden Cadre of the National Transport Authority
- (xiv) Permanent staff of SAMU of the Ministry of Health and Quality of Life

15.12.14 The Bureau has carried out an in-depth study of all the issues relating to uniforms including the *ad hoc* Committee Report 2001 on boots and that of uniforms.

- 15.12.15 The Bureau concurs with the recommendations of the *ad hoc* Committee Report 2001 and has set certain additional guidelines/modalities to ease the identification of beneficiaries falling under each category and to induce employee's desired behaviour.

#### Recommendation

15.12.16 The Bureau therefore recommends that:

- (i) **Responsible Officers should, from the list of grades presently entitled to uniforms in their organisation, determine, in consultation with parties, which of the grades should fall under one of the following categories:**

##### Category I

The grades in respect of eligible officers whose nature of duties warrants a means of identification/authority should be classified under Category I. Officers in this category should wear uniforms on duty and would be eligible for a uniforms allowance of Rs 2500 for financial year 2003-2004. This allowance is meant for the purchase of all items of uniforms and for the payment of tailoring fees.

##### Category II

The grades in respect of eligible officers whose nature of duties requires them to wear uniform as and when the need arises, should be classified in Category II. The Responsible Officer should, in consultation with the stakeholders, decide under which circumstances and when officers in this category should wear uniforms. Officers in this category should wear uniforms as and when required and would be eligible for a uniforms allowance of Rs 2300 for financial year 2003-2004. The element of rapid wear and tear which might occur has been taken into account in determining the uniforms allowance of this category.

##### Category III

The grades in respect of eligible officers whose nature of duties causes excessive wear and tear of clothing should be classified under Category III. Officers in this category would normally not be required to wear uniforms on duty and would be eligible for a Rapid Wear and Tear Allowance of Rs 2200 for financial year 2003-2004.

The quantum of uniforms allowance and Wear and Tear allowance includes the increase in the cost of items of uniforms for the period July 2002-June 2003.

- (ii) For subsequent financial years as from 2004-2005 the quantum of allowance should be adjusted on the basis of the changes in the prices of the relevant items of uniforms as determined by the Central Statistics Office for the preceding financial year and also considering whether cardigans are due in the year or not.
- (iii) Where it is considered that officers in a new grade or in a grade other than those listed at paragraph 15.12.13 above should wear uniforms for exercising authority or on grounds of tradition and/or international etiquette, the Responsible Officer should obtain the approval of the Standing Committee on Uniforms. Thereafter, in consultation with the appropriate stakeholders, the Responsible Officer should arrange for the supply of all items of uniforms to such eligible officers in a cost-effective manner.
- (iv) The grades in Rodrigues eligible for an enhanced entitlement of items of uniforms should continue to benefit from same.
- (v) The additional allowance for the grades in Rodrigues eligible for an enhanced entitlement of items of uniforms in respect of Category I, should be Rs 810; Category II should be Rs 745 and Category III should be Rs 715 respectively for financial year 2003-2004.
- (vi) An internal audit system be set up in every organisation to ensure that eligible officers who have to wear uniforms do so on duty. Disciplinary action should be initiated in case of default and the allowance stopped.
- (vii) The Standing Committee on Uniforms comprising representatives of the Ministry of Civil Service Affairs and Administrative Reforms, the Ministry of Finance and the Pay Research Bureau should continue to:
  - (a) determine the eligibility for the grant of uniforms to new grades;
  - (b) decide on the provision of boots and new items of protective clothing and equipment; and
  - (c) devise such regulations or principles as may be necessary to deal with the issue.

\*\*\*\*\*



### 13. Public Service Pension Reforms

- 15.13.1 Mauritius has a relatively well-developed pension system. The Civil Service Pension Scheme is non-contributory and unfunded based on the pay-as-you-go principle. Entitlement to pension benefits is recognised as a *sine qua non* condition of service of public servants and these benefits are generally paid in full by the Exchequer.
- 15.13.2 According to studies, the projections are that the pension bill in the Civil Service would in all likelihood go on increasing significantly for the next 20 years. Between the years 1998 and 2001, the Civil Service Pension bill has increased by around 37%.
- 15.13.3 The present provisions of the pension scheme, coupled with the increasing number of pensioners, are rendering the scheme burdensome. The system is coming under increased pressure mainly due to the demographic transition that the country is facing.
- 15.13.4 Against this background, Government has initiated a reform process to address pension issues in time. Several reports investigating the different components of the pension system have been prepared with the assistance of independent international experts as well as the World Bank. The institutional set up to drive the reform process is also in place. An Inter-Ministerial Committee, a Task Force as well as Implementation Working Groups on Pension Reforms are operational. A Lead Adviser has been recruited to lead the process.
- 15.13.5 The Implementation Working Group on Pension Reforms has already determined the terms of reference for consultancy services for a review of the pension scheme for the future generation of public officers. The approval of the Central Tender Board has been obtained for the launching of a tender exercise on the design of a new pension scheme for the Public Sector. The study is expected to take six months.
- 15.13.6 The objective of the study is to provide government with new feasible scheme(s), for the public sector with detailed analysis of the economic and social impact over time. The report of the Consultant should provide clear recommendations as well as critical information for government to make an informed decision on the new scheme to be introduced. The Consultant would carry out, *inter alia*, an analysis of the present civil service pension scheme, an assessment of the impact of the existing scheme on public finances and the national economy in the medium term and long term, a review of trends in international pension reforms in public sector, and propose feasible models for a new pension scheme for **new entrants** in the Mauritian Civil Service.
- 15.13.7 While the Bureau cannot pre-empt the models that would be recommended, the trend abroad indicates a movement towards funded contributory pension schemes. Most of the countries of

Eastern Europe and South America have made their pension plans more sustainable by converting part of the pension obligation into a funded contributory scheme. Current regulations in most of the OECD countries i.e. Australia, Austria, France, Germany, Italy, Japan, Sweden and United Kingdom require that the pension plans be fully funded.

15.13.8 Should Government consider, in the wake of the Consultant's Report to introduce a funded scheme for new entrants along the line adopted in several overseas jurisdiction while maintaining the pension rights for officers in post, the following salient issues would have to be addressed:

- (i) The need to maintain equity and fairness between civil servants at present in post and future entrants who would be on a different pension scheme.
- (ii) The need to ensure a reasonable time lag for new entrants into the service as recruitment exercises are in progress at the Public and Disciplined Forces Service Commissions on a continuous basis.
- (iii) The need to maintain and operate two different pension systems with different benefits in parallel for several decades until the complete phasing out of the current system.

15.13.9 To facilitate the process, Government may consider adopting the following measures/course of action:

- (i) **Public sector employees in post as at 30 June 2004 continue to be governed by the existing pension rules and regulations.**
- (ii) **New entrants in the service as from 1 July 2004 (a) be governed by a new set of pension regulations and be eligible to a revised set of retirement benefits and (b) be required to contribute a percentage of their salary to a pension fund to be managed by the Accountant-General.**
- (iii) **Government (a) crediting to the pension fund an amount representing a percentage of the salary of every new entrant in service from 1 July 2004 so that the pension liability of new entrants is wholly met out of the recommended pension fund and (b) initiating necessary action to introduce enabling enactment in Parliament for the creation of the Pension Fund and amendment to the Income Tax Regulations as may be required.**
- (iv) **The rate of contribution and the retirement benefits determined in the wake of the recommendations of the Consultant.**

- (v) **New entrants in the service as from 1 July 2004 joining the relevant scale at a point higher than the initial of the salary scale to be determined by the High Powered Committee chaired by the Secretary to Cabinet and Head of the Civil Service, considering the rate of contribution and the revised pension benefits under the new pension scheme.**

**\*\*\*\*\***

## 14. Retirement and Retirement Benefits

### Retirement Age

15.14.1 A public officer holding a pensionable office should retire at the age of 60, but has a right to retire at the age of 55. However, on the approval of the relevant Service Commissions, he may retire at the age of 50, or in case of overmanning, at the age of 45. On the other hand, the Constitution provides that the compulsory retiring age for Judges shall be 62 years. A public officer may also retire on medical ground (irrespective of length of service or age) or may be made to retire compulsorily on ground of public interest, or on abolition of office, or for the purpose of facilitating improvement in an organisation.

15.14.2 Moreover, a female officer may retire on ground of marriage, irrespective of length of service or age. Officers in the Police Force may retire on proportionate pension after 25 years service, irrespective of age.

### Recommendation 1

**15.14.3 We recommend that the present provisions regarding retirement age be maintained for officers in post, pending the outcome of the study on Pension Reforms.**

### Accrual Rate and Qualifying Period

15.14.4 Pension is normally computed at the rate of  $1/600^{\text{th}}$  of pensionable emoluments on retirement for every month of pensionable service subject to a maximum of  $400/600^{\text{th}}$ . The normal qualifying period to benefit from full pension for most public officers holding pensionable office is  $33\frac{1}{3}$  years (400 months) of pensionable service. Members of the Police Force, on the other hand, are allowed to retire on a proportionate pension after 25 years of service. Thereafter, they are granted an enhanced pension at the rate of  $1/360^{\text{th}}$  of pensionable emoluments for each additional month of service which enables them to qualify for full pension after 30 years of service.

15.14.5 Members of the medical profession are entitled to pension at the rate of  $1/540^{\text{th}}$  of pensionable emoluments thus qualifying them for full pension after 30 years of service whereas members of the Judiciary qualify for pension at the rate of  $1/400^{\text{th}}$  of their pensionable emoluments subject to a maximum of  $400/400^{\text{th}}$ .

15.14.6 In our 1998 Report, we had recommended that manual workers working in insalubrious conditions be allowed to retire with full pension after 30 years of pensionable service.

15.14.7 We further recommended that a Committee under the chairmanship of the Permanent Secretary of the Ministry of Civil Service Affairs and Administrative Reforms and consisting of

representatives of the Ministry of Health and Quality of Life, the Ministry of Finance and the Pay Research Bureau be set up to determine those grades of employees in the Workmen and Related Groups which would qualify for full pension after 30 years of pensionable service.

- 15.14.8 A Committee was set up to determine grades of employees in the Workmen and Related Group which qualify for full pension after 30 years of pensionable service. However, this committee has not yet determined those grades which would qualify for same.
- 15.14.9 Representations have been made from various quarters, including shift workers, for a reduction in the qualifying period from  $33\frac{1}{3}$  years to 30 years for earning full pension. We have further received representations from members of the dental profession who join service late owing to their long length of study, officers of the Fire Services on account of the dangers and risks associated with fire fighting activities, and Prison Officers for the demanding nature of the work and the heavy stress sustained.
- 15.14.10 The Bureau has examined these requests and consider that any increase in the qualifying period would further inflate the pension bill which is already burdensome.
- 15.14.11 The present provisions regarding the qualifying period for full pension are therefore generally maintained, except for members of the dental profession.
- 15.14.12 We are also in this Report introducing an early retirement scheme for officers of the Fire Services and Prisons Officers in line with that obtaining for Police Officers.

**Recommendation 2**

- 15.14.13 We recommend that the present provisions regarding qualifying period for full pension be maintained except for members of the dental profession who should be allowed to retire with full pension after 30 years of pensionable service.**
- 15.14.14 We recommend that, as members of the Police Force, officers of Fire Services and Prisons Officers:**
- (a) be allowed to retire on a proportionate pension after 25 years of service; and**
  - (b) be eligible to earn pension at the enhanced rate of  $1/360^{\text{th}}$  of pensionable emoluments for each additional month of service to enable them to qualify for full pension after 30 years of service.**

- 15.14.15 With regard to manual workers working in insalubrious conditions, we recommend that the Committee set up in our 1998 Report to determine those grades of employees which would qualify for full pension after 30 years of pensionable service should expedite matters.**

**Traineeship, Studentship or Cadetship**

- 15.14.16 Some officers appointed in the Public Service are afterwards provided with necessary training. On the other hand, other categories of employees are recruited under traineeship, studentship or cadetship schemes. The period of training after appointment is reckoned for pension purposes whilst the training period of those undergoing traineeship, studentship or cadetship is not.
- 15.14.17 We have received representations that traineeship, studentship or cadetship should be reckoned for pension purposes as during their traineeship, studentship or cadetship, officers do perform the duties and shoulder responsibilities of the grade. As the traineeship, studentship or cadetship is shared between the learning process and the performance of duties, we are of the opinion that part of the traineeship, studentship or cadetship should be reckoned for pension purposes.

**Recommendation 3**

- 15.14.18 We recommend that 50% of the length of period of traineeship, studentship or cadetship in the service, when immediately followed by appointment in the grade, be reckoned for pension purposes. This recommendation should apply exclusively to officers holding substantive appointment as at 30 June 2003.**

**Temporary Appointment and Pension**

- 15.14.19 An officer, already holding a substantive post, who is subsequently appointed in a temporary capacity to a higher post and has to retire on grounds of age before completion of the period of temporary service, is not entitled to the retirement benefits of the higher post. Presently, some Supervising Officers make recommendations on a case to case basis to the Public Service Commission for the appointment of such officers in a substantive capacity prior to their retirement.
- 15.14.20 During the temporary period, officers do perform duties of the higher grade at the same level as those appointed substantively. It appears unfair that these officers, though performing similar duties, are on retirement deprived of the pension benefits on the salary of the higher grade.

**Recommendation 4**

**15.14.21 We recommend that the pension benefits of an officer already holding a substantive post and appointed/promoted to a higher post in a temporary capacity, be computed on the salary of the higher post even though he has not completed the temporary period on attaining the age of 60 years, provided the higher post does not require an additional qualification for appointment.**

**Compassionate Allowance**

15.14.22 On retirement, officers not on permanent and pensionable establishment are paid a compassionate allowance in accordance with the Government Servants' (Allowances) Regulations.

At present the monthly allowance is calculated as follows:

$$\frac{\text{No of months of service}}{720} \times \frac{\text{annual wage}}{12}$$

**Recommendation 5**

**15.14.23 We recommend that the present mode of computation of compassionate allowance be maintained.**

**Salary of an Officer upon Death**

15.14.24 When a serving officer passes away, the salary of that month is paid on a pro-rata basis to the heirs. Representations have been made that consideration be given for the payment of a full month salary on compassionate ground to the heirs of all deceased officers. We consider that there is merit in this case.

**Recommendation 6**

**15.14.25 We recommend that a full month salary be paid to the heirs of an officer on his demise, irrespective of the number of days he has been in service during that month.**

**Pensionable Emoluments (Reverted Officers)**

15.14.26 The retirement benefits of a public officer, who has been appointed to act in or has been assigned the duties of a higher office by the appropriate Service Commissions and retires or is subsequently reverted to his substantive office, is computed on the prevailing pensionable emoluments of the office to which he was appointed to act or assigned duties, provided he has been performing the duties of the office for a continuous period of at least two years, his reversion to the substantive office was not the result of inefficiency or misconduct and at the time of his retirement or reversion he had reached the age of 50.

**Recommendation 7**

**15.14.27 We recommend that the existing provisions governing retirement benefits of a public officer, who has been appointed to act in or has been assigned duties of a higher office by the appropriate Service Commissions and retires or is subsequently reverted to his substantive office, should continue to be computed on the prevailing pensionable emoluments of the office to which he was appointed to act or assigned duties provided that:**

- (i) he has been performing the duties of the office for a continuous period of at least two years;**
- (ii) his reversion to his substantive office was not the result of inefficiency or misconduct; and**
- (iii) at the time of his retirement or reversion he had reached the age of 50.**



**Pensionable Emoluments (Reverted Officers in Position of Accounting Officer)**

15.14.28 The retirement benefits of a public officer, who has been appointed to act in or has been assigned duties of a higher office in a position of Accounting Officer or a higher office than that of an Accounting Officer but in the same Cadre, is computed, under certain conditions, on the prevailing pensionable emoluments of the office to which he was appointed to act or the duties of which had been assigned to him.

**Recommendation 8**

**15.14.29 We recommend that the retirement benefits of a public officer who has been appointed to act in or has been assigned duties of:**

- (a) a higher office in a position of Accounting Head/Chief Executive the salary of which office is not less than Rs 45000 a month, or**
- (b) a higher office than the one at (a) above in the same Cadre**

**by the appropriate Service Commissions and retires or is subsequently reverted to his substantive office should continue to be computed on the prevailing pensionable emoluments of the office to which he was appointed to act or the duties of which had been assigned to him, provided that:**

- (i) he performed the duties of such office for a continuous period of not less than six months; and**
- (ii) his reversion to his substantive office was not the result of inefficiency or misconduct and at the time of his retirement or reversion he had reached the age of 50.**

**Added years of Pensionable Service**

15.14.30 Some categories of professionals because of the length of their study join the Public Service at a relatively late age. At the age of retirement, quite a few officers falling in these categories do not qualify for full pension.

15.14.31 In our 1998 Report, recommendation was made for the pension provisions to be amended to allow officers who join service late and who would possibly not qualify for full pension at the normal time of retirement to purchase some additional years of service at the start of their career to enable them to qualify for full pension. Officers already in post were to be given this option as from the date of implementation of the recommendation. The appropriate rates of contribution had to be worked out on a case to case basis and spread over the period the officers would be in service before retirement.

15.14.32 However, difficulties have been encountered in the computation of the appropriate rates of contribution for purchase of additional years of service as the officers concerned had to do so at the start of their career. Another difficulty was about the responsibility for the management of the fund.

**15.14.33 On the other hand, there are several schemes available on the market whereby officers may top up their pensions if they so wish. We are, therefore, not making any provisions on the issue.**

#### **Gratuity/Proportionate Pension**

15.14.34 An officer retiring with less than 10 years' pensionable service benefits from a gratuity equivalent to 15% of his last monthly salary times number of months of pensionable service subject to a maximum of one year's pensionable emoluments.

#### **Recommendation 9**

**15.14.35 We recommend that the present mode of computation of gratuity for an officer retiring with less than 10 years' pensionable service be maintained.**

#### **Mobility of Manpower and Overmanning**

15.14.36 To allow mobility between the public sector and the private sector, officers reckoning a minimum of 10 years of pensionable service and having reached the age of 45 are allowed to retire with the approval of the respective Service Commissions without foregoing their earned pension benefits.

15.14.37 The payment of benefits accruing to officers is deferred till the time the officers attain the age of 50.

#### **Recommendation 10**

**15.14.38 We recommend that the regulation governing payment of pension to officers moving from public to private sector be maintained as regards the vesting period, deferred payment of pension and the qualifying age of 45 years.**

#### **Retirement Benefits – Overmanning**

15.14.39 The retirement benefits of an officer who is allowed to retire at the age of 45 and above on the ground of overmanning are computed as if his office had been abolished.

#### **Recommendation 11**

**15.14.40 We recommend that this provision be maintained.**

#### **Approved Leave and Pension**

15.14.41 Any period of leave with pay is reckoned for pension purposes. Officers who have been granted leave without pay after 1993 are given the option to contribute 25% of their salary to government in order to have such period of leave reckoned for pension purposes.

**Recommendation 12**

**15.14.42 We recommend that the present provision regarding the contribution for earning pensionable years of service should be maintained.**

**Pensionable Value of Rent Allowance**

15.14.43 The estimated value of free quarters or rent allowance for pension purposes is equated to 10% of initial annual salary of the officer subject to a maximum of Rs 4500 per annum.

**Recommendation 13**

**15.14.44 We recommend that the estimated value of free quarters or rent allowance for pension purposes should continue to be equated to 10% of initial annual salary of the officer subject to a maximum of Rs 5000 per annum.**

**Pensionable value of Car Benefit**

15.14.45 The monetary value of the private use of a chauffeur-driven official car is reckoned for the computation of retirement benefits.

**Recommendation 14**

**15.14.46 We recommend that this provision be maintained. We also recommend that 75% of that monetary value should be reckoned for the computation of the retirement benefits of beneficiaries of self-driven government car.**

**National Savings Fund**

15.14.47 The National Savings Fund provides for the payment of a lump sum to every employee on his retirement at the age of 60 or earlier, or on his death.

15.14.48 Every employer contributes 2.5% of the basic wage/salary of every employee to the Fund subject to a certain maximum. The Fund is managed by the Ministry of Social Security, National Solidarity and Senior Citizen Welfare and Reform Institutions.

15.14.49 On retirement the employee receives a lump sum constituting the contributions on his behalf together with any accrued interest.

**Recommendation 15**

**15.14.50 We do not propose to bring any change in the present provisions of the National Savings Fund.**

**Portable Pension Fund**

15.14.51 There are provisions for civil servants to move to Parastatal and other Statutory Bodies or Local Authorities and vice versa. Their accrued pension benefits move along with them so that their length of service are reckoned for pension purposes. On the other hand, when a private sector employee joins the Public Service, his contribution made to the National Pension Fund (NPF) remains vested at the NPF.

15.14.52 The Portable Pension Fund established under the Finance and Audit Regulations of 1999 ensures that the portable benefits of a qualified officer are transferred to such superannuation fund as may be established by the employer who employs him or to such personal pension scheme to which the officer may have adhered to, on his leaving the Public Service. This Fund is administered and managed by the Accountant-General.

15.14.53 The portable benefits of the officer is computed as if, at the time of leaving the Public Service, he had become eligible for a gratuity under the Pensions Act, corresponding to his length of service.

**Recommendation 16**

**15.14.54 We do not propose to bring any change in the present provisions of the Portable Pension Fund.**

\*\*\*\*\*

## **15. Civil Service Family Protection Scheme**

### **Statutory Bodies Family Protection Fund**

- 15.15.1 Public Sector Family Protection Schemes fall into three main groups. The Civil Service Family Protection Scheme (CSFPS) provides pensions to spouses, children and orphans on the death of public service employees either during service or after retirement. The families of Local Authorities employees are covered under a scheme similar to the CSFPS, called the Statutory Bodies Family Protection Fund (SBFPF). Family benefits for employees of most Parastatal and other Statutory Bodies are provided under the Family Protection Scheme (FPS) with the State Insurance Corporation of Mauritius (SICOM).
- 15.15.2 While pension benefits to employees are broadly similar across the Public Sector, there are, however, differences in the level of provision of family benefits. The CSFPS provides family benefits in the event of death at any age whether in service or after retirement. The SBFPF effectively provides the same benefits as CSFPS but existing members in 1988 had the right to opt for a return of contributions at age 60 instead of retaining eligibility to family benefits after age 60. The FPS provides whole life assurance cover, before and after retirement, to employees of statutory bodies.
- 15.15.3 Pursuant to a series of recommendations made by the Bureau in 1993 to render the then Widows' and Children's Pension Scheme more attractive, the Civil Service Family Protection Scheme came into operation on 1 July 1993 with the enactment of the Widows' and Children's Pension Scheme (Amendment) Act No 28 of 1993. The Act made it mandatory for female officers to contribute to the scheme. There are now more than 57,000 contributors to the scheme and around 13,000 pensioners.

#### **Statutory Bodies Family Protection Fund**

- 15.15.4 Since 1993 it was recommended that the then Widows' and Orphans' (Statutory Bodies) Pension Fund be aligned on the model obtaining for the Civil Service. As a first step the legislation was amended and by virtue of the Widows' and Orphans' (Statutory Bodies) Pension Fund (Amendment) Act No 29 of 1993, the Fund was renamed the Statutory Bodies Family Protection Fund and it provided for the admittance of female officers to the Fund.
- 15.15.5 The Statutory Bodies Family Protection Fund Regulations came into operation on 1 July 2001 with the object of rationalising the computation of beneficiaries' pension and the payment of membership contribution in line with the recommendations of the Pay Research Bureau and also to place employees of Local Authorities at par with their counterparts in the Civil

Service. However, the Statutory Bodies Family Protection Fund has maintained certain of its specificities. The Housing Loan Scheme which was started as far back as 1969 to give assistance to associates of the Fund for construction purposes is still in operation. The rate of interest is currently at 9% per annum and the loan ceiling has been increased to Rs 500,000. Repayment is spread over periods varying between five and twenty years. Such loans are exclusively reserved for associates of the Fund.

### **Civil Service Family Protection Scheme**

#### ***Membership***

15.15.6 The following persons are required to contribute to the Scheme:

- (a) Public Officers who have attained the age of 18 and who are appointed to a pensionable office.
- (b) Public Officers who have been transferred to approved services and who have elected to continue to contribute to the Scheme.
- (c) Members of the National Assembly during their period of Legislative Service.
- (d) Officers of the Civil Service Family Protection Scheme Board.

#### ***Contribution***

15.15.7 The rate of contribution represents two per cent of the officer's gross salary and is deductible from Income Tax.

15.15.8 Public Officers cease to contribute to the Scheme on the occurrence of any of the following events: reaching 60 years of age, resignation from the Public Service, dismissal from the Public Service, retirement from the Public Service and leaving the Public Service for any reason.

#### ***Refund of Contribution***

15.15.9 A refund of contribution is made to a contributor or his legal representative in the following circumstances:

- (a) If at the date of retirement, resignation or dismissal a contributor has not contracted marriage or has not adopted a child, he will be refunded 100% of his contribution together with compound interest at the rate of 4% per annum.
- (b) Where a contributor has contracted marriage and no pension is payable at the date of retirement i.e. where the spouse has passed away and the children are of age, 100% contribution will be refunded plus compound interest at the rate of 4% per annum.
- (c) 100% contribution will be refunded plus 4% compound interest where no pension is payable after he has ceased to be a public officer.

- (d) In case both husband and wife are contributors, the surviving spouse would be refunded 100% contribution together with compound interest at the rate of 4% per annum on the death of his spouse and may elect not to contribute to the Scheme until he retires from the service.

***Pensions***

15.15.10 A monthly pension is payable to the widow/widower and children of a deceased contributor as follows:

- (a) On the death of a contributor, whether it occurs before or after he ceases to be a public officer, the surviving spouse is entitled to a pension at the rate of 1/3 of his basic unreduced pension. If the contributor leaves a spouse and one or more children, a pension of one half of the rate of the basic unreduced pension is payable.
- (b) In case there is no surviving spouse but only one child is eligible for a pension, the rate of one quarter of the basic unreduced pension of the deceased is payable.
- (c) If the contributor leaves two or more children the rate of pension amounts to one half of the basic unreduced pension of the deceased.
- (d) The basic unreduced pension is computed at the rate of one six hundredth of the annual salary of a contributor at the date of death or at the date he ceases to be a public officer for each completed month of his contributory service (not exceeding 400 months).
- (e) A surviving spouse's pension ceases on the death or remarriage of the beneficiary.
- (f) The children's pension ceases on the date the last child reaches 18 years of age, or if the child receives full time education, until he receives such education or attains the age of 21, whichever is earlier. The Board may, on compassionate grounds, approve the payment of pension to children beyond the age of 21.
- (g) Upon the death of a beneficiary, the legal personal representative is paid one full month's pension in respect of the month in which the beneficiary dies together with a gratuity of an equivalent amount.

15.15.11 Today, we are witnessing a lot of activity in areas of pension redesign both at home and overseas. Our public sector pension schemes too are at present under scrutiny for reforms. We have at this stage therefore maintained all the existing provisions governing the Civil Service Family Protection Scheme.

**Recommendation**

**15.15.12 We recommend that the present provisions regarding membership, contribution, refund of contribution and pensions under the Civil Service Family Protection Scheme be maintained.**



\*\*\*\*\*

## 16. Risk, Insurance and Compensation

- 15.16.1 Group Insurance and Workmen's Compensation had been dealt with separately in our 1998 Report. The Committee, set up to study the implications and advisability of providing a Group Insurance Scheme to cover occupational risks of employees of the Public Sector, held several meetings and sought the advice of the State Insurance Company Limited (SICOM) and the Ministry of Finance. The SICOM Limited advised that Government is financially capable of assuming such risks and it would not be advisable to transfer the risks to a commercial insurer. The Ministry of Finance is, in principle, agreeable that Government assumes responsibility in respect of the occupational risks of employees of the Public Sector.
- 15.16.2 As regards the Workmen's Compensation Act, our recommendations made in the 1998 PRB Report to review the earnings figure, have not yet been implemented.
- 15.16.3 Given that risk, insurance and compensation are closely related issues, we are, in this Report, considering them together and making provisions that will cater for the needs of all categories of employees, manual and non manual, in the Public Sector.
- 15.16.4. At present:
- (a) All manual workers and non manual workers whose annual earnings do not exceed Rs 72,000 are compensated for personal injuries and for fatal injuries or death by accidents arising out of and in the course of employment, a compensation is paid to the dependants under the Workmen's Compensation Act of 1931.
  - (b) Government officials participating in missions, seminars and training sessions are insured during their flight.
  - (c) Some employees are also entitled to the payment of a risk allowance which varies up to Rs 800 a month.
  - (d) There is no proper mechanism to cover occupational diseases of employees of the Public Sector. However, Government has recently taken a decision to incur liabilities on an *ad hoc* basis in cases where civil servants have been injured or sustained fatal injuries out of and in the course of their duties.
- 15.16.5 The Workmen's Compensation Act sets out the liability of employers to workmen, whether or not holding a substantive appointment, for personal injuries or death by accidents and for occupational diseases arising out of and in the course of employment. However, it does not cater for, among others, non manual employees earning more than Rs 72,000 annually and members of the Police Force.

- 15.16.6 At present, some employees, e.g. officers of the ADSU, are paid a separate risk allowance whilst other employees are compensated in their salaries.
- 15.16.7 The risk element is present in several jobs. There have been cases in the past where *ad hoc* ex gratia payments were effected to heirs of officers who sustained fatal injuries in the course of their duties whilst in other cases, officers, whose earnings exceed Rs 72,000 annually, when injured in the course of duty, have been granted on retirement only an enhanced pension in relation to the degree of injury sustained. A pension is granted in lieu of gratuity to officers on permanent and pensionable establishment, with less than 10 years' service, who have sustained permanent injury in the actual discharge of their duty without their own fault and who retire on account of circumstances specifically attributable to the nature of their duty.
- 15.16.8 Payment of a risk allowance to all employees will not be a solution to the problem. As prevention is better than cure, every effort should be made to prevent injuries and Occupational Safety and Health Officers of the Ministry of Labour and Industrial Relations should visit regularly sites of work and ensure that Safety and Health measures are being taken. They should also provide education on Safety and Health matters to workers on site. Should any mishap or accident occur, Government, as its own insurer, should cater for necessary compensation.
- 15.16.9 In the light of the foregoing, we are making a series of recommendations to provide for necessary safety measures at the place of work and for payment of compensation to public sector employees including those of the disciplined forces who may sustain permanent incapacity or fatal injuries out of and in the course of their duties.

#### Recommendation

- 15.16.10 (i) (a) **We recommend that, as at present, all manual workers and non manual workers whose annual earnings do not exceed Rs 72,000 continue to be compensated according to the Workmen's Compensation Act. However, as and when necessary, the Act should be reviewed to take account of changes in salary levels in the country.**
- (b) **We further recommend that the Second Schedule of the Workmen's Compensation Act where mention is made of occupational diseases be updated to cater for new occupational diseases.**
- (ii) **Government officials participating in missions, seminars and training sessions should continue to be insured during their flight.**
- (iii) **Organisations/Departments should take all necessary safety measures to avoid risks at the workplace. The Ministry of Civil Service Affairs and Administrative**

Reforms should ensure that Occupational Safety and Health Officers effect regular visits to all sites of work and necessary safety measures are being undertaken.

- (iii) We recommend that non manual employees whose earnings are in excess of Rs 72,000 a year and members of the disciplined forces who sustain permanent incapacity as a result of injury arising out of and in the course of duties, or who contract an occupational disease under conditions specified in Section 37 and as listed in the Second Schedule of the Workmen’s Compensation Act, be paid a compensation as per rate of compensation specified in the First Schedule or under Section 37 of the Workmen's Compensation Act up to a maximum of Rs 720,000.
- (iv) We further recommend that for non manual employees whose earnings are at a rate in excess of Rs 72,000 a year and for members of the disciplined forces who sustain fatal injuries out of and in the course of duties or who contract a fatal occupational disease under conditions specified in Section 37 and which is listed in the Second Schedule of the Workmen’s Compensation Act, a compensation of six years’ salary at the rate of the deceased officer’s last salary drawn before the accident, subject to a maximum of Rs 1.1 million be paid to the heirs over and above any gratuity due under the Pension Regulations.

\*\*\*\*\*

## **17. Communication Facilities**

- 15.17.1 Reliable and rapid means of communication are nowadays a basic prerequisite of modern management. Ministries/Departments are making every effort to provide telecommunication facilities such as fixed phone, cellular phone, fax, computer, internet and e-mail at the place of work. Communication facilities have, therefore, become an important item in the benefits package of certain categories of officers, more particularly of managers and executives, although they may be of little direct monetary value.
- 15.17.2 Beneficiaries of communication facilities in the Public Sector generally fall into two categories:
- (i) Officers who have benefited on account of their status.
  - (ii) Those who have benefited because of the nature of their work or posting.
- 15.17.3 As senior officials have to be contacted after normal office hours in connection with their duties, communication facilities such as cellular phone or fixed telephone at their place of residence have been provided to them. On the other hand, some officers, who because of the nature of their work, for example, field work, often have to communicate with their superiors or at Head office during and/or after normal working hours, have been granted cellular phones or fixed phones.
- 15.17.4 In the 1998 PRB Report, it was recommended that the established Standing Committee chaired by the Permanent Secretary of the Ministry of Civil Service Affairs and Administrative Reforms and comprising representatives of the Ministry of Finance, the Ministry of Information Technology and Telecommunications and the Pay Research Bureau, which was looking into the whole question of eligibility and allocation of cellular phone, the type of equipment to be offered and the number of calls/units entitlement to public officers, should also evolve criteria for the allocation of fixed telephone at the place of residence to officers whose nature of duties/postings warrant them. The number of calls to which these officers would be entitled were to be determined by the management of the organisation concerned.
- 15.17.5 It was further recommended that the Standing Committee should also look into the grant of e-mail facilities.
- 15.17.6 Pursuant to the recommendation of the Pay Research Bureau, the committee decided that the representative of the Ministry of Information Technology and Telecommunications would circulate a list of all officers benefiting from free rental of fixed telephone and/or free calls indicating their status, their entitlement and the reasons for the grant thereof. The Ministry of Civil Service Affairs and Administrative Reforms was to prepare a comprehensive paper on the allocation of cellular telephone, fax and e-mail facilities for official use at the place of residence.

- 15.17.7 However, subsequently, the whole issue in respect of the grant of free communication facilities to public officers - telephone (rental and calls), fax and e-mail facilities at residence and free cellular phone - has generally been devolved on the management of Ministries/Departments/Organisations.

#### **Survey on Communication Facilities**

- 15.17.8 In the context of this review, the Bureau has re-examined the issue regarding the provision of communication facilities to officers in the Public Sector. To enable the formulation of appropriate recommendations, the Bureau has carried out a fresh survey in respect of grades/officers in the Public Sector who are benefiting from communication facilities at their place of residence. A survey questionnaire was, therefore, sent to all Heads of Ministries/Departments, Parastatal and other Statutory Bodies and Local Authorities inviting them to furnish information regarding officers and their respective grades and postings who are presently beneficiaries of fixed telephone, fax and internet connection facilities at their place of residence as well as the use of cellular phone. In the process, the Bureau has also sought and obtained the collaboration of the Central Information Systems Division (CISD) of the Ministry of Information Technology and Telecommunications.

- 15.17.9 54 out of 83 organisations in the Civil Service and 46 out of 68 in the Parastatal Bodies and Local Authorities have responded to our survey, representing a response rate of about 70%.

#### **Fixed Telephone**

- 15.17.10 Our survey has revealed that in the Civil Service alone, excluding the Police Force, there are 1359 beneficiaries of free telephone rental with a varying number of call entitlement ranging from 15 to 200. Officers of the levels of Principal Assistant Secretary and Permanent Secretary are generally entitled to 50 and 100 calls a month respectively. There are, however, few officers who are entitled for unlimited number of calls.
- 15.17.11 Some officers below the level of Principal Assistant Secretary by virtue of their responsibility have also been granted fixed telephone facilities at their place of residence and they are entitled to free local calls ranging from 10 to 125. However, all of them do not benefit from free rental.
- 15.17.12 With regard to the Police Force, 356 officers are benefiting from telephone privileges at their place of residence either because of their status or the nature of their work or posting and the entitlement normally varies from Rs 30 to Rs 285 monthly.

#### **Fax Facilities**

- 15.17.13 According to our survey, fax facilities at place of residence are currently granted to the Secretary to Cabinet and Head of the Civil Service, the Supervising Officer of the Ministry of Foreign

Affairs and Regional Co-operation, the Financial Secretary and a few Permanent Secretaries on account of the very special nature of their functions.

#### **Cellular Phone Facilities**

- 15.17.14 In general, officers of the level of Permanent Secretary and above are granted cellular phone facilities and their entitlements are unlimited. These officers when on official mission abroad are normally provided with international roaming facilities.
- 15.17.15 On the other hand, certain Heads of Departments/Divisions/Sections as well as a few junior officers (including Clerical Officers, Drivers, etc.) have also been given the facilities of the free use of cellular phones because the nature of their duties so warrants. These officers are granted free rental and a certain number of calls, at the discretion of their management, which may vary on the basis of needs from one officer to another within the same grade.
- 15.17.16 In other instances, certain officers, particularly Drivers, who already possess a cellular phone are provided with pre-paid cards. Others are issued, as and when required, with a cellular phone available in the office for use by a pool of officers. In the Judicial Department, all District Courts have a cellular phone, kept by the Chief Clerk and handed over to Magistrates who are on call during the weekend. There are also two cellular phones kept at the Bail Court.

#### **Parastatal Bodies and Local Authorities**

- 15.17.17 The survey has further revealed that the Parastatal Bodies and the Local Authorities have generally adopted the Civil Service pattern for the grant of communication facilities to their staff.

#### **Conclusion**

- 15.17.18 As mentioned earlier, the issue in respect of the grant of free communication facilities to public officers - fixed telephone (rental and calls) at the place of residence and free cellular phone has in general, as revealed by the survey, now been devolved on the management of Ministries/Departments/Organisations. Consequently, the need to maintain a Standing Committee to look into the whole question of eligibility and allocation of cellular phone, to evolve criteria for the allocation of fixed telephone and others does not arise.

#### **Recommendation**

- 15.17.19 We recommend that the grant of free communication facilities to public officers – fixed telephone (rental and calls) at place of residence and cellular phone - should be devolved on the management of Ministries/Departments/Organisations. The latter should stand guided by present practices as given at paragraphs 15.17.10, 15.17.11 and 15.17.12 on fixed telephone facilities and 15.17.14, 15.17.15 and**

15.17.16 in respect of cellular phone in determining eligibility and entitlement to the different form of communication facilities.

15.17.20 However, management of Ministries/Departments/Organisations should exercise proper and adequate control on the grant and use of such facilities to guard against abuse.

15.17.21 With regard to fax and e-mail facilities at place of residence, Ministries/Departments/Organisations should seek the prior authority of the Ministry of Civil Service Affairs and Administrative Reforms before granting such facilities to an officer.

\*\*\*\*\*



## 18. Redundancy Management

- 15.18.1 Following a recommendation in our last Report, a Redundancy Management Committee has been set up under the aegis of the Ministry of Civil Service Affairs and Administrative Reforms to look into the various problems of redundancy as and when they arise and to make appropriate recommendations to the government.
- 15.18.2 In the Private Sector, reduction of work force is being dealt with under section 39 of the Labour Act. In the UK, organisations whether public or private have their own special units to address redundancy problems. They believe that a well planned redundancy programme can do much to soften the initial blow and influence the employee's ability to recover from it and look positively to the future. Some have set long-term measures to avoid redundancy namely effective human resource planning, training and flexible working arrangements. They have also provided short-term actions such as recruitment freezes, redeployment, early or voluntary retirement, short-term working and training in new job skills.
- 15.18.3 Another problem associated with redundancy management is the "Survivor Syndrome". This refers to the mixed bag of behaviour and emotions often exhibited by remaining employees following redundancies in organisations. It could be the reasons for decreased motivation, morale and loyalty to the organisation.
- 15.18.4 It is unrealistic to suggest that redundancy can always be avoided by a contribution of human resource planning and employment flexibility as unexpected events may necessitate workforce reductions and individual redundancies may also occur when a job is no longer needed. However, redundancy should be viewed as a last resort. We are making our recommendations along these lines.

**Recommendation 1**

**15.18.5** We recommend that organisations should take all reasonable steps to avoid the necessity of redundancies and should:

- (i) develop planning and employment strategies which enable them to deal with the requirements of short term labour fluctuations, minimize the risk of enforced redundancies and maximise alternative opportunities. (vide recommendation on contractual employment at Chapter 10);
- (ii) manage redundancies legally and in a way that reduces the inevitable adverse impact both on those who lose their jobs and on the ‘survivors’; and
- (iii) implement communication strategies to ensure that everyone in the organisation has the correct information about the reasons for redundancies.

**Recommendation 2**

**15.18.6** We recommend that the Redundancy Management Committee chaired by the Secretary for Public Service Affairs and comprising representatives of the Ministry of Finance, the Ministry of Training, Skills Development, Employment and Productivity and the Pay Research Bureau continues to look into the various problems arising out of redundancy as and when they arise and make appropriate recommendations to the government.

\*\*\*\*\*

---

---

## **19. Foreign Service Allowance and Other Related Allowances**

### **Introduction**

15.19.1 The Foreign Service Allowance and Other Related Allowances are paid to staff of our missions posted overseas in order to enable them to meet the cost of living in the respective countries and to enjoy a standard of living compatible with their rank. These allowances vary according to the grade of the officer and the country of posting and are generally paid in the currency of the country of posting. The exchange rates presently used for conversion purposes are those prevailing as at March 1998. In countries having major fluctuations in the rate of exchange officers have been allowed, on request, to be paid either in Dollar or Euro or Pound Sterling.

### **Foreign Service Allowance and Other Related Allowances**

15.19.2 Foreign Service Allowance and Other Related Allowances of the home-based staff posted at our missions overseas are being reviewed taking into consideration, among others, the following factors:

- (a) the relative cost of a basket of selected goods and services in the cities where our embassies are located as compared to Mauritius. The present basket of goods and services is derived from the 2001-2002 Household Budget Survey results;
- (b) the actual Foreign Service Allowance and Other Related Allowances earned by the officers; and
- (c) the fluctuations in the exchange rate of the relevant currencies.

15.19.3 In the context of this Review, the Central Statistics Office has carried out a fresh exercise to determine the relative costliness in the various cities where our Embassies/High Commissions/Offices of Permanent Representatives are located.

15.19.4 In making the recommendations, the Bureau has also taken into consideration the results of the exercise and the element of hardship posting in case of certain countries. Evidently these allowances have been based on the revised salaries.

### **Recommendation 1**

**15.19.5 We recommend that:**

- (i) Foreign Service Allowance should be paid in accordance with table at Annex IV;**
- (ii) for conversion purposes, the exchange rate applicable for all other payments, including salaries should be as given at Annex V; and**

- (iii) where an officer is presently drawing by way of salary, foreign service allowance and entertainment allowance, wherever applicable, more than what he would draw in the aggregate with our recommendations, he should be allowed to retain same on a personal basis up to the time of a new posting. On a new posting, our new recommendations should apply *in toto*.

In principle, all payments should be in the currency of the country of posting and as per the recommendations.

### Rent and Utilities

- 15.19.6 At present full charges are paid in respect of rent and utilities for Ambassadors, High Commissioners and Permanent Representatives. For other officers, a ceiling has been set, depending on their ranks and countries of posting. However, any amount above the ceiling is to be borne *in toto* by the officers concerned.
- 15.19.7 The staff serving in our missions abroad have made representation that the ceiling allocated in respect of rent and utilities is inadequate to secure a decent accommodation. They have also submitted that the Ministry of Foreign Affairs and Regional Co-operation should adopt a long-term policy to acquire accommodation to house the home-based staff.
- 15.19.8 The Ministry is agreeable to the proposal to acquire accommodation wherever this is feasible and to set a ceiling in other cases.

### Recommendation 2

- 15.19.9 We recommend that pending the acquisition of quarters, wherever feasible:
- (i) full charges in respect of rent and utilities should continue to be paid for Ambassadors, High Commissioners and Permanent Representatives; and
  - (ii) charges in respect of rent and utilities should continue to be paid up to a monthly ceiling for other officers, depending on their ranks and country of posting as per Annex VI.

### Recommendation 3

- 15.19.10 We also recommend that:
- (i) any amount above the ceiling prescribed at Annex VI in respect of rent and utilities will have to be borne *in toto* by the officer; and
  - (ii) officers occupying their own houses should continue to be paid 80% of the ceiling prescribed at Annex VI.

---

---

**Entertainment Allowance**

- 15.19.11 With a view to fostering healthy diplomatic relations and/or reciprocating invitations, diplomatic staff of the level of First Secretary and above posted in our missions is entitled to an entertainment allowance. Second Secretaries have made representations to the effect that they also have to socialise and entertain foreign counterparts.
- 15.19.12 We are revising the present entertainment allowance and extending the provision to the Second Secretary.

**Recommendation 4**

- 15.19.13 We recommend the payment of entertainment allowance as per Annex VII.**

**Children's Education**

15.19.14 Officers posted overseas having dependent children aged between 3 and 20 years who attend school up to secondary level, are paid 50% of their school fees inclusive of admission fees, contribution to land/building fund, society fees, registration fees and school endowment fund.

**Recommendation 5**

**15.19.15 We recommend that:**

- (i) the refund of 50% of the school fees in respect of dependent children aged 3 to 20 years of home-based staff posted in developed countries who attend pre-primary, primary and secondary schools be maintained; and**
- (ii) school fees in respect of dependent children, aged 3 to 20 years, of home-based staff posted in countries where the medium of instruction is neither English nor French should continue to be refunded at the rate of 75%, where the children have no alternative but to be admitted to international schools.**

**Service Allowance**

15.19.16 Service Allowance in lieu of gratuity is paid to non-pensionable Ambassadors and/or High Commissioners on satisfactory completion of 12 months' service and is equivalent to 25% of the salary drawn.

**Recommendation 6**

**15.19.17 We recommend that the allowance of 25% of salary drawn by non-pensionable Ambassadors and/or High Commissioners on satisfactory completion of one year of service in lieu of gratuity be maintained.**

**Medical Expenses**

15.19.18 Presently 85% of all medical expenses incurred by home-based staff posted in our overseas missions are refunded provided such expenses are supported by medical certificates. In case of hospitalisation for surgical intervention, the totality of medical expenses incurred by all officers, their spouse and dependent children up to the age of 20 are refunded in respect of treatment during the period of the hospitalisation.

15.19.19 Representations have been received from home-based staff posted in our overseas missions that full refund of medical expenses should be made even if hospitalisation is not prescribed by the doctor and also in cases where treatment has to be undergone in a neighbouring country when good medical facilities are not available in the country of posting.

- 15.19.20 The Ministry of Foreign Affairs and Regional Co-operation has submitted that the possibility of contribution to a Health Insurance Scheme should be explored in respect of home-based staff in missions abroad. We consider that this may be a plausible alternative which requires further study. We are maintaining the present arrangement at this stage.

**Recommendation 7**

- 15.19.21 We recommend that pending the introduction of Health Insurance Schemes for home-based staff posted in missions, the present mode of refund of medical expenses should be maintained.**

**Warm Clothing Allowance**

- 15.19.22 An officer proceeding to serve in our mission abroad for the first time is at present paid a Warm Clothing Allowance of £175 (in U.K pound sterling). A similar allowance is paid to his spouse and dependent children aged up to 20 years. We are revising the present allowance.

**Recommendation 8**

- 15.19.23 We recommend that a Warm Clothing Allowance equivalent to £200 in the currency of the country of posting be paid to officers on a first posting as well as on subsequent postings provided a period of five years has elapsed since their previous posting overseas.**

**Foreign Service Allowance while on Leave**

- 15.19.24 Presently, a Foreign Service Allowance up to one month is payable to officers who are on home, vacation or casual leave outside their country of posting.

**Recommendation 9**

- 15.19.25 We recommend that the Foreign Service Allowance which is payable up to one month to officers who are on home, vacation or casual leave outside their country of posting be maintained.**

**Foreign Service Allowance during Study Leave**

- 15.19.26 Married officers posted in our missions abroad and who stay with their family, when sponsored to follow a course of study outside their country of posting are paid a Foreign Service Allowance of up to a maximum period of four months. We are maintaining this provision.

**Recommendation 10**

- 15.19.27 We recommend that the Foreign Service Allowance should continue to be paid to officers posted to overseas missions and who are sponsored for a course of study outside the country**

**of posting up to a period of four months provided they are married and leave their family behind in the country of posting.**

#### **Transfer Grant**

15.19.28 On return from overseas or on transfer from one mission to another or while proceeding to an overseas mission on a first posting, a transfer grant equivalent to 5% of the gross annual salary or an amount of £175, whichever is higher, is payable to the officer.

#### **Recommendation 11**

**15.19.29 We recommend the payment of a Transfer Grant equivalent to five per cent of the gross annual salary or the equivalent of a minimum of £200 (UK pound sterling) in the currency of the country of posting.**

#### **Travelling**

15.19.30 Travelling facilities are granted to home-based staff in our missions along the same lines as for officers serving in Mauritius. Due to practical reasons we have provided certain specific changes in respect of officers serving in our missions abroad and drawing salary of Rs 47500 and above.

#### **Recommendation 12**

**15.19.31 We recommend that the same facilities which are granted to officers in Mauritius should be applicable to officers posted in our missions abroad except for those drawing a monthly salary of Rs 47500 and above.**

**Officers, other than Ambassadors, High Commissioners and Permanent Representatives drawing a monthly salary of Rs 47500 and above should, on posting to a mission, be provided with a mission car in lieu of the self/chauffeur driven car.**

#### **Baggage Allowance**

15.19.32 On return from overseas or on transfer from one mission to another or while proceeding to overseas mission on a first posting, an officer is at present entitled to the cost of excess air baggage consisting of personal effects up to an amount of £175 in addition to the baggage entitlement normally attached to the air ticket and to the cost of transportation by sea up to nine cubic metres of personal effects not exceeding four tons. Any extra cost is borne by the officer.

#### **Recommendation 13**

**15.19.33 We recommend that officers be paid an amount equivalent to £200 in the currency of the country of posting as excess air baggage allowance. Officers should also be refunded the**



---

---

**cost of transportation by sea up to 9 cubic metres of personal effects not exceeding four tons.**

---

---

**Subsistence Allowance**

15.19.34 Officers posted abroad at short notice are entitled to a Subsistence Allowance for a maximum of 10 days and in exceptional cases up to 15 days. Any other allowance is not payable during such period.

**Recommendation 14**

**15.19.35 We recommend that the present provisions governing Subsistence Allowance be maintained.**

**Tour of Service**

15.19.36 Home-based staff posted in our missions overseas are required to change their posting after completion of a tour of service which, normally, is of three years duration. However, in exceptional circumstances, the tour of service is lengthened for a year or so.

15.19.37 With regard to the General Service Staff they are not allowed to serve for more than three years i.e. one tour of service. However, in certain countries where the living conditions are difficult the tour of service may be of a shorter duration.

**Recommendation 15**

**15.19.38 We recommend that the present provisions governing tour of service for home-based staff and General Service Staff posted in our missions overseas be maintained.**

**Consul and Vice Consul**

**Recommendation 16**

**15.19.39 We recommend that the Foreign Service Allowance and Other Related Allowances for Consul and Vice Consul should be paid in accordance with table at Annex VIII.**

**Composition of the Foreign Service Committee**

15.19.40 The Foreign Service Committee is composed of the Secretary for Public Service Affairs, representatives of the Ministry of Foreign Affairs and Regional Co-operation, the Ministry of Finance, the Central Statistics Office and the Pay Research Bureau.

15.19.41 Members of the Diplomatic Class have proposed that they should be allowed to sit on the Committee as they are in a better position to enlighten the Committee on specific issues. The Ministry of Foreign Affairs and Regional Co-operation is agreeable to the proposal. We consider that a representative of the Diplomatic Class may be of assistance in certain cases.

**Recommendation 16**

**15.19.42 We recommend that the Committee, which at present is composed of the Secretary for Public Service Affairs of the Ministry of Civil Service Affairs and Administrative Reforms and representatives of the Ministry of Foreign Affairs and Regional Co-operation, the Ministry of Finance, the Central Statistics Office and the Pay Research Bureau be maintained. The Committee may co-opt a representative of the Diplomatic Class as and when required.**

**Recommendation 17**

**15.19.43 We recommend that the Foreign Service Committee should continue, in between general reviews, to look into conditions of service of home-based staff posted to our missions abroad.**

\*\*\*\*\*

## 16. Public Service Pension

- 16.1 Prior to 1987, as elaborated upon in previous PRB Reports, the pensions of retired public officers were not adjusted in the wake of a salary review. The pensioners were, however, compensated for an increase in the cost of living. Following representations from this category of pensioners after the publication of the 1987 PRB Report, Government set up a committee to review the pensions of retired public officers. The committee recommended a graduated increase ranging from 20% to 60% in the pension of all retired public officers and this was implemented. This recommendation was, however, superseded in 1988 by the Report of the Salaries Commissioner Mr. D. Chesworth. The Chesworth Report (1988) recommended that, for pension purposes, it should be assumed that the pensioner has retired on the day at which the new salary in a review has come into effect and he be paid 50% of the relevant revised salary (or less if the pensioner had not earned full pension) and this too was implemented. Pursuant to this recommendation, we recommended in 1993 and 1998 that pensions of retired public officers should continue to be recomputed on the basis of the revised pensionable emoluments of the relevant grades.
- 16.2 Since quite some time now, the issue of pension has been a matter of concern. Expenditure on civil service pension has been increasing over the years. Expenditure on civil service pension which stood at Rs 710 m in 1998 has increased to Rs 788 m in 1999 and to Rs 889 m in year 2000. At 30 June 2001, the amount was to the tune of Rs 975 m. Between the years 1998 and 2001, the expenditure has increased by almost 37%.
- 16.3 A report from the World Bank on the Civil Service Pension Scheme in Mauritius has revealed that the public sector pension scheme is generous and has recommended that civil service pension schemes need to be reviewed. However, the Committee of Officials set up under the chairmanship of the Secretary to Cabinet and Head of the Civil Service to scrutinise the World Bank Report, found it difficult to subscribe to the World Bank's statement that the Mauritius Public Sector Pension Scheme was overly generous. It holds the view that the civil service pension schemes should continue to be indexed on wages instead of prices.
- 16.4 In many countries, pensions are either indexed to variations in current salaries for public servants in the same grade or periodically adjusted to variations in the cost-of-living index. Today in many overseas jurisdictions, we are witnessing a lot of activity in areas such as pension redesign. Several countries have undertaken steps to reduce their civil service liabilities by changing the post retirement indexation policy so that pensions will increase in accordance with price increase instead of wage increase. Korea has shifted from wage to price indexation and reduced benefit

levels for new employees. Italy has also shifted from wage to price indexation and introduced limitations on early retirement.

- 16.5 Our Public Sector Pension Schemes too are presently under scrutiny. To that end, Government has initiated a reform process in order to address pension issues in time. Several reports investigating the different components of the pension system have been prepared with the assistance of independent international experts as well as the World Bank. The institutional set up to drive the reform process is also in place. An Inter-Ministerial Committee, a Task Force as well as Implementation Working Groups on Pension Reforms are operational. A Lead Adviser has been recruited to lead the process.
- 16.6 Pending the outcome of this study, we are not bringing any change in the present mode of computation for the revision of pensions of retired public officers.

#### **Recommendation 1**

- 16.7 **We recommend that, as in the past, pensions of retired public officers be recomputed on the basis of the revised pensionable emoluments as from 1 July 2003. We also recommend that the exercise be done anew next year on the basis of the revised pensionable emoluments as from 1 July 2004.**
- 16.8 **Where a pensioner is drawing a pension greater in amount than the pension recomputed on the basis of the revised salary, the pensioner should be allowed to continue to draw the pension he is drawing.**
- 16.9 **In the event of a grade which no longer exists but where there are still pensioners who belonged to that grade and are drawing pensions, a hypothetical salary based on the nearest equivalent grade to be worked out by the Pay Research Bureau should be used.**
- 16.10 **The above recommendations should also apply to pensioners of Parastatal and other Statutory Bodies and Local Authorities.**

#### **Recommendation 2**

- 16.11 **The current provisions for wage indexation of pension should be reviewed for new entrants who shall join the service as from 1 July 2004. The future benefits in respect of this category of employees should be defined in the context of the Pension Reform process during the financial year 2003-2004.**

#### **Recommendation 3**

16.12 The retirement benefit of officers who shall retire during the period 1 July 2003 to 30 June 2004 should, except for the commuted lump sum be computed on the basis of the converted salaries effective from 1 July 2003. Exceptionally the commuted lump sum of the concerned officers shall be computed on the converted salaries of 1 July 2004.

\*\*\*\*\*

## 17. RODRIGUES AND THE OUTER ISLANDS

### Conditions of Service Specific to Rodrigues

#### Tour of Service and Disturbance Allowance to Mauritian Officers

- 17.1 As indicated in the last report, Rodriguan officers are gradually staffing the public service in Rodrigues and as such, many divisions are today being serviced exclusively by Rodriguans. However, the services of Mauritian officers are still required to serve in a few positions requiring professional or technical skills and it is binding on all public officers domiciled in Mauritius to serve on a tour of service in Rodrigues, as and when required, irrespective of whether the letters of offer of appointment mention or do not mention service in Rodrigues.
- 17.2 Mauritian officers who are required to serve on a tour of duty in Rodrigues, which is of a minimum of 12 months' duration, are paid a disturbance allowance of 25% of gross salary (basic salary plus salary compensation at approved rates). This allowance is normally limited to three tours of service. However, in exceptional cases and with the approval of the Ministry of Civil Service Affairs and Administrative Reforms, disturbance allowance for more than three tours may be paid.
- 17.3 The disturbance allowance takes into account the fact that the officer will obviously have to cater for two households (one in Mauritius and one in Rodrigues) and the disruption in his social life, and hence the need for an inducement.
- 17.4 In addition, Mauritian Officers are also provided with quarters and do not pay any contribution as rent.

#### Recommendation 1

- 17.5 **We recommend that the payment of disturbance allowance at the present rate of 25% of gross salary for a tour of service be maintained and that it should be limited to three tours of service only. Exceptionally, payment of disturbance allowance for more than three tours should continue as at present, subject to the approval of the Ministry of Civil Service Affairs and Administrative Reforms.**

#### Recommendation 2

- 17.6 **We recommend that Mauritian officers posted to Rodrigues on a tour of duty should continue to benefit from rent free quarters.**

#### Inducement Allowance

- 17.7 An inducement allowance of 50% of salary is at present being paid to certain categories of professionals in scarce supply to serve in Rodrigues. It is a temporary measure designed to tackle the problem of scarcity in certain areas of the Public Service. Such officers are not eligible for disturbance allowance.

**Recommendation 3**

- 17.8 We recommend that the inducement allowance of 50% of salary be maintained.**

***Ad hoc Incentive Measures***

- 17.9 Government has on 20 July 2001 agreed that the tour of service to Rodrigues for medical, dental and nursing staff be reduced from 12 to 6 months and the disturbance allowance payable to these categories of officers raised from 25 to 50% of their salaries. These measures will apply for a period not exceeding three years in respect of the medical and dental staff and two years for the nursing staff.

**Recommendation 4**

- 17.10 We recommend that the *ad hoc* incentive measures taken by Government to induce medical, dental and nursing personnel to serve on a tour of service in Rodrigues be exceptionally maintained for the agreed period.**



**Allowance to Rodriguan Officers Coming to Mauritius on Training**

- 17.11 Officers domiciled in Rodrigues who come to Mauritius on training are paid a monthly allowance of 50% of their salaries for the duration of the training. This allowance is meant to enable these officers to meet all additional costs, over and above rent, inclusive of ancillary expenses for the maintenance of a reasonable standard of living.
- 17.12 In addition, Rodriguan officers coming to Mauritius on training are provided with government quarters. However, those who cannot be provided with government quarters are paid a rent assistance of Rs 650 monthly.

**Recommendation 5**

- 17.13 **We recommend that the allowance of 50% of salary of officers domiciled in Rodrigues and coming to Mauritius on training be maintained for the duration of the course.**

**Recommendation 6**

- 17.14 **We recommend the payment of an allowance of Rs 725 monthly as an assistance towards payment of rent to Rodriguan officers coming to Mauritius on training and who cannot be provided with quarters.**

**Officers Performing Duties at the Next Higher Level**

- 17.15 Some officers when posted to Rodrigues are required to act in the next higher level and are paid acting allowance as appropriate. In the context of the 1998 PRB Report it was reported that in such cases disturbance allowance was computed on the basis of the substantive salary of the officer while, with regard to inducement allowance, the computation was made on the basis of aggregate earnings (i.e. basic salary + salary compensation at approved rates + responsibility allowance).
- 17.16 This dual method of computation was advantageous to those who were in receipt of inducement allowance but detrimental to those who were paid disturbance allowance. This practice appeared inequitable and was addressed and remedied.

**Recommendation 7**

**17.17 We recommend that the revised system of computation of inducement allowance as well as disturbance allowance, for officers who are called upon to act in a higher capacity, on the basis of aggregate earnings (basic salary plus salary compensation at approved rates plus acting/responsibility allowance) be maintained.**

**Special Conditions**

17.18 An officer who is domiciled in Mauritius and is posted to Rodrigues for a minimum tour of 12 months is eligible for the following:

**(a) Passages**

- (i) free passages to and from Rodrigues for himself, his spouse and up to three children under the age of twenty one;
- (ii) two return tickets from Rodrigues for medical treatment in Mauritius in respect of himself or any member of his family, provided a Government Medical Officer certifies that such medical treatment is not available in Rodrigues and cannot safely be postponed until the end of his tour of service, and that the patient needs to be accompanied;
- (iii) two free tickets to Mauritius in case the tour of service is extended for another 12 months. This privilege is limited to three tours of service only; and
- (iv) one free return ticket to Mauritius to single officers in case the tour of service is extended for another 12 months.

**(b) Transport**

- (i) free transport by sea of his personal effects to the extent of six cubic metres;
- (ii) subject to the approval of the Ministry of Local Government and Rodrigues, free transport by sea of his car/jeep/motorcycle/bicycle;  
provided that the total volume of (i) and (ii) does not exceed 12 cubic metres.

**(c) Vacation Leave**

- (i) an officer domiciled in Mauritius when posted to Rodrigues for a tour of service earns during the period of his service there vacation leave at the rate of 50% more than what he is eligible for in respect of that period;
- (ii) the additional leave granted under paragraph (i) may be accumulated over and above his normal entitlement; and

- (iii) an officer on a tour of service in Rodrigues is not allowed to enjoy vacation leave, save in exceptional cases, subject to the approval of the Island Chief Executive; this in order to ensure that there is no unnecessary disruption of work.

**Recommendation 8**

- 17.19 We recommend that the conditions in connection with passages, transport and vacation leave should be maintained. We also recommend that an officer should, on his return to Mauritius at the end of his tour of service, be given priority of consideration to enjoy his earned vacation leave.**

**OUTER ISLANDS**

**Tour of Service and Disturbance Allowance to Mauritian Officers**

- 17.20 Outer islands, besides Rodrigues, generally comprise Agalega and St. Brandon. In comparison to Rodrigues, a tour of service in one of the two islands is relatively more difficult on account of precarious conditions of travelling, at times on board fishing vessels and the poor living conditions there. No medical facilities are available at St. Brandon while in Agalega, there exists only first aid treatment.

- 17.21 Officers domiciled in Mauritius are also required to serve in the Outer Islands on a tour of service and the tour of service varies from four to six months. While on a tour of service, these officers are paid a disturbance allowance of 45% of salary (basic salary plus salary compensation at approved rates) and they earn vacation leave at the rate of 50% more than what they are eligible for in respect of that period.

**Recommendation 9**

- 17.22 **We recommend that the disturbance allowance be revised to 50% of gross salary (basic salary plus salary compensation at approved rates) and the additional vacation leave entitlement be maintained.**

- 17.23 **We further recommend that it should continue to be binding on all public officers to serve on a tour of service in the Outer Islands, as and when required.**

**Recommendation 10**

- 17.24 **We recommend that these officers, on their return to the main land at the end of their tour of service, should equally be given priority of consideration to enjoy their earned vacation leave.**

**Enhanced Pension Benefit**

- 17.25 It is binding on all public officers domiciled in the Island of Mauritius to serve on a tour of service in any of the islands forming part of the Republic of Mauritius, as and when required. However, it has been reported that in many instances, management of public sector organisations face serious difficulties to enlist Mauritian officers to be posted outside the main land in spite of the various benefits already granted. In this report we are therefore making provision for additional inducement measure.

---

---

**Recommendation 11**

**17.26** We recommend that the tour of service of public officers domiciled in the island of Mauritius who are required to serve in Agalega or St. Brandon should be reckoned for pension purposes at time and a half.

\*\*\*\*\*

---

---

## 18. Statutory Boards and Committees

18.1 Statutory Board/Body is formed by an Act of Parliament and is controlled by a Board of Directors nominated by the Minister in charge. It is a legal entity separated from the civil service and thus enjoys the prestige and power of a large government department and the experience of government managers and administrators, together with the flexibility of a commercial enterprise, wherever relevant.

### Corporate Governance

18.2 A Board of Directors is appointed to direct and control the corporation in a sound and profitable manner through corporate governance principles and practices appropriate to the organisation. As a rule, the authority of the Board includes the following responsibilities:

- Determining objectives, strategies and structures in order to optimise the return to all stakeholders
- Setting policies to achieve such objectives
- Monitoring compliance with such policies on a regular and structured basis.

18.3 Good corporate governance means proper stewardship. Proper stewardship is a responsibility placed explicitly on all those responsible for the goods and funds of others. In fact the Board serves as a guardian of assets. It imposes a duty to exercise due diligence, i.e. care, rigour and attention, in the management and disposal of all those assets for which each individual officer constituting the Board is given responsibility. As a result, good corporate governance is increasingly seen as the hallmark of successful organisations.

18.4 The Board is not the managing organ, it is the organ that makes sure that the organisation is being managed. The Board is ultimately responsible for strategy but the initiator is normally the Chief Executive unless the Chairman of the organisation occupies a full time executive role.

### Use of Non-Executive Directors

18.5 As expatiated upon in the last report, in the past, it was common practice for eminent personalities and other professionals of the country to offer their contribution on a voluntary basis to serve on boards and committees according to their field of competence. Abroad, the practice generally follows the same trend. However, in the course of time, a system of fees has been introduced to enable these persons to meet petty expenses in relation to their attendance at such boards and committees. The fees payable are not meant to be a full compensation for the services rendered - it is but a token payment. It is also worth noting that

today there are still persons who continue to offer their services on a voluntary basis in a spirit of patriotism.

- 18.6 There is no evolution without change and today a new paradigm seems to be emerging. We need new ideas, new styles of leadership, new attitudes, new perceptions, new structures, new approaches and new values. Above all, new values. Representations on boards and committees should be effected in such a manner to make them more proactive, result-oriented and efficient.

**Foreign Experience on Remuneration of Non-Executive Directors**

- 18.7 There are two fundamental considerations that are normally taken into account when setting fees for non-executive directors:

- (i) providing reasonable recompense for the time and commitment they contribute to board meetings;
- (ii) not paying them so much or tying them down with perquisites of various kinds in order that they be really independent in their judgement and action.

'Reasonable recompense' depends on the following factors:

- (i) the number of board meetings per year the Non-Executive Director is required to attend;
- (ii) whether he or she also sits on a board committee such as the audit committee or the remuneration committee which involves extra duties and an additional time commitment.
- (iii) the eminence of the director - whether he is sought after for particular wisdom and expertise;
- (iv) organisation size - research shows a fairly clear relationship between the size of Non-Executive Directors' fees and the size of the organisation; and
- (v) position - non-executive chair people are normally paid substantially more than ordinary Non-Executive Directors. This differential partly reflects the additional time involved and partly the additional responsibility and public exposure that goes with this role.

- 18.8 Maintaining objectivity and independence by not paying too much remain critical to the effectiveness of non-executive directors. If they become dependent on their fees from an organisation on whose board they sit, they will not perform the independent role required of them by shareholders. For this reason the provision of company cars, pensions and such

---

benefits are generally to be avoided. Most non-executives will in any case already have adequate benefit provisions from their full-time employment and will expect nothing but fees in the form of cash.

- 18.9 Fees for Non-Executive Directors should be reviewed regularly in the same way as Directors' remuneration as a whole.

#### Strategy Retreats

- 18.10 Nowadays, boards are considered like fire departments: they are not needed every day, but they have to perform effectively when called upon. It has been observed that, in good times corporate governance is largely irrelevant, but in bad times it is crucial. Formal periodic board appraisals can help ensure that when the board is needed all the right processes, procedures, members, and relationships are in place and ready to go.
- 18.11 It is often considered by the directors of an organisation that the exercise of setting (or reviewing) the overall purpose or mission should be conducted in a considered and reflective way preferably by means of a weekend retreat away from the usual pressures of the business. Furthermore, because even the most efficient boards can run short of time for in-depth discussion of corporate strategy, some well-known companies abroad are scheduling annual strategy retreats. Such retreats would in our view be highly beneficial to Parastatal and other Statutory Bodies if scheduled appropriately or at least once a year.

#### Recommendation 1

- 18.12 We therefore strongly recommend that Boards of Parastatal and other Statutory Bodies schedule retreats for in-depth discussion of corporate strategy as appropriate but at least once a year.**

#### Categorisation of Boards and Committees

- 18.13 Statutory Boards and Committees are at present classified in four categories, namely A,B,C and D for the purpose of determining the fees payable to the chairpersons and members. The categorisation of these Boards and Committees is based on:
- (i) the importance and status of the institution;
  - (ii) the nature and volume of work devolving on the Board;
  - (iii) the duties and level of responsibilities of the chairman; and
  - (iv) the frequency of meetings.



- 18.14 Generally, Statutory Boards and Committees having mainly executive functions are classified in categories A and B whereas those with predominantly advisory functions are classified in categories C and D.

#### **Remuneration of Non-Executive Directors and Secretaries**

- 18.15 At present, a Standing Committee comprising the Secretary for Public Service Affairs as Chairman, the Financial Secretary and the Director, Pay Research Bureau is responsible to look into new cases of categorisation as well as requests for upgrading from one category to another.
- 18.16 The fees for Non-Executive Directors and Secretaries are reviewed in the same way as Directors' remuneration whenever there is a general review of pay and grading structures and other conditions of service in the Public Sector.
- 18.17 In the present system, the fees payable to part-time chairpersons and Secretaries of Boards and Committees are directly related to the status/category of the organisation whereas Non-Executive Directors who are members are remunerated at a uniform rate, irrespective of the status of the entity.
- 18.18 This system of remunerating the chairpersons on the basis of the status of their respective organisations is characterised by certain weaknesses and very often gives rise to unnecessary and superfluous claims from either the chairpersons themselves or the Chief Executives for upgrading from one category to another. In order to overcome this situation which places a burden on the standing committee, we are recommending a new formula which has a direct relationship and linkage with the salary of the Chief Executive, established through evaluation in line with current international practice.

#### *Part-time Chairpersons*

- 18.19 Part-time Chairpersons of Statutory Boards and Committees falling in groups A, B and C are currently remunerated on a monthly basis as follows:

Category A	:	Rs 12,000
Category B	:	Rs 9,000
Category C	:	Rs 6,000

As regards Statutory Boards and Committees categorised in D, the fee payable to the part-time chairpersons is, on a sessional basis, at the rate of Rs 900 per sitting, subject to a maximum of Rs 3,600 in a month.

**Recommendation 2**

**18.20** We recommend that, on the basis of the new formula introduced, the monthly fees payable to part-time chairpersons of Statutory Boards and Committees previously categorised in A, B and C should be at the rate of 30% of the monthly basic salaries of their respective full time Chief Executives, subject to a maximum of Rs 15000.

---

18.21 Where there is no Chief Executive, the monthly fees should be reviewed by the Standing Committee mentioned at paragraph 18.42.

18.22 As regards Statutory Boards and Committees previously categorised in D, we recommend that the fee payable to the part-time chairpersons should continue to be on a sessional basis at the revised rate of Rs 1125 per sitting, subject to a maximum of Rs 4500 a month.

*Actingship as Chairperson*

18.23 Normally in the absence of a chairperson, the vice-chairperson or any other member chairs the Board meetings, unless the law provides otherwise.

18.24 Prior to July 1998, a vice-chairperson or a member who was called upon to chair Board meetings in the absence of the substantive chairperson (who was in the country) was not remunerated additionally. However, when the substantive chairperson was absent from the country, the vice-chairperson or any other member who chaired the Board meetings was entitled to the full allowance payable to the chairperson. It was decided, on an *ad hoc* basis, that the substantive chairperson, in such cases, should continue to be entitled to the monthly fees, provided his absence did not exceed two calendar months.

18.25 This situation did not appear to be fair and equitable and it was only legitimate that a vice-chairperson or any other member who replaces a substantive chairperson, while the latter was in the country, be granted some sort of compensation. Consequently, in the 1998 PRB Report remedial provisions were introduced to correct these anomalous situations. We are in this Report maintaining these measures.

**Recommendation 3**

18.26 We recommend that a vice-chairperson or any other member who presides over all Board meetings held in a month in the absence of the chairperson (while the latter is in the country) be paid an allowance equivalent to 40% of the monthly fees payable to the substantive chairperson. The said amount should be deductible from the monthly fees of the substantive chairperson. Where the chairperson has been replaced by more than one person and for only part of the month, the deduction should be shared on a pro rata basis.

18.27 We recommend that a vice-chairperson or any other Member who chairs Board meetings when the substantive chairperson is absent from the country should continue to be entitled to the full allowance payable to the chairperson. A substantive

**chairperson who absents himself during one calendar month should not be eligible to any fees, except if he is on official mission for the Board.**

*Resignation of Chairperson*

18.28 In case of resignation of a chairperson and pending the appointment of a new chairperson, the chairmanship is carried out by the vice-chairperson, if any, or any other member designated by the Board and the latter is entitled to the full allowance prescribed.

18.29 There are also instances when the chairmanship is carried out on a rotational basis with the agreement of the Board members. In such cases, the full monthly allowance normally payable to the chairperson is proportionately apportioned among the acting chairpersons.

**Recommendation 4**

**18.30 We recommend that the present arrangements be maintained.**

**Members**

18.31 Members of Statutory Boards and Committees including civil servants are being paid Rs 400 per sitting. A member, other than the chairperson, who is called upon to chair a subcommittee of Statutory Boards and Committees, is paid an additional sum of Rs 150 per sitting up to a maximum of Rs 600 monthly for the additional responsibility. Similarly, a member who sits in subcommittees is paid a fee of Rs 400 per sitting.

**Recommendation 5**

**18.32** We recommend that members of Statutory Boards and Committees be paid a fee of Rs 500 per sitting. A member other than the chairperson, who is called upon to chair subcommittees, should be paid an additional fee of Rs 180 per sitting, subject to a maximum of Rs 720 monthly.

**18.33** A member who sits in subcommittees should be paid a fee of Rs 480 per sitting.

**Secretary**

**18.34** Officers acting as Secretary to Statutory Boards and Committees in Categories A and B are at present paid Rs 600 per sitting and those in Categories C and D Rs 300 per sitting. Officers who are called upon to act as Secretary to subcommittees are equally paid the same amount, as appropriate.

**Recommendation 6**

**18.35** We recommend that the fees presently payable to officers acting as Secretary should be increased by 20%.

**18.36** Officers acting as Secretary to subcommittees should be remunerated at the same rates.

**Travelling**

**18.37** Prior to the 1998 PRB Report, chairpersons and members travelling by car to and from place of meeting were paid mileage at the rate of Rs 1.70 per km. Those travelling by bus were refunded bus fares *in toto*. However, public officers drawing a monthly salary of Rs 22500 and above who were either chairpersons or members of Statutory Boards and Committees were not eligible for such travelling benefits.

**18.38** This system of refund of travelling expenses appeared to be administratively cumbersome for such petty items of expenditure as it involved, *inter alia*, a lot of paperwork and the exercise of control.

**18.39** This element had therefore since the 1998 PRB Report been included in the revised fees recommended for Chairpersons, Members and Secretaries of Statutory Boards and Committees.

**Standing Committee**

**18.40** As mentioned earlier, a Standing Committee comprising the Secretary for Public Service Affairs, the Financial Secretary and the Director, Pay Research Bureau is currently

responsible to look into new cases of categorisation as well as requests for upgrading from one category to another.

18.41 With the new remuneration policy for chairpersons, members and secretaries of Statutory Boards and Committees, the need for categorisation does not arise. However, all new cases should be referred to the Standing Committee for the determination of fees payable to the chairpersons.

**Recommendation 7**

**18.42 We recommend that the Standing Committee comprising the Secretary for Public Service Affairs, the Financial Secretary and the Director, Pay Research Bureau be maintained to determine the fees payable to the Chairpersons in all new cases.**

***Ad hoc Committees***

18.43 The Standing Committee referred to at paragraph 18.44 also deals, on an *ad hoc* basis, with requests for determination of allowances payable to chairpersons, members and secretaries appointed to sit on *ad hoc* committees (Fact-Finding Committees, Courts of Investigation, Technical Committees etc.). In order to ensure uniformity in the determination of allowances payable to the chairpersons, members and secretaries of the said committees, the Standing Committee has devised and adopted a set of criteria as guidelines.

00

---

---

**Recommendation 8**

**18.44** We recommend that the Standing Committee should continue to be responsible for the determination of allowances payable to chairpersons, members, secretaries and other supporting staff of *ad hoc* committees.

\*\*\*\*\*