

Republic of Mauritius

**Review of  
Pay and Grading Structures  
and Conditions of Service in the Public Sector**

*(Civil Service, Parastatal and other Statutory Bodies, Local  
Authorities and Rodrigues Regional Assembly)*

**and**

**The Private Secondary Schools**

**Volume I**

**General Background & Related Issues**

**and**

**Conditions of Service**

**Pay Research Bureau  
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## 1. INTRODUCTION

- 1.1 The Pay Research Bureau (PRB) undertakes a general pay review for the Public Sector, as per current practice and Government policy, normally once every five years. The last PRB Report was published in 2003. This Report is the sixth overall review of the Pay and Grading Structures and Conditions of Service in the Public Sector (Civil Service, Parastatal and other Statutory Bodies, Local Authorities and the Private Secondary Schools) carried out by the Bureau. It also covers the Rodrigues Regional Assembly for the second time. Overall, the Report covers around 83,000 employees and 23,000 public service pensioners.
- 1.2 The first PRB Report published in 1982 was conceived in a *quasi*-economic recession background and had an unfortunate fate due to misunderstanding of the underlying philosophy pertinent to the then difficult situation. Employees came out as the losers and it was a lesson not to be repeated. No doubt, the subsequent Reports, undertaken under less compelling economic pressures, received much more positive response.
- 1.3 Now, 26 years after, the country's economic situation is slowly recovering from another slump, which has required fundamental reforms with a view to, not only maintaining sustainability, but more importantly, enhancing growth in the face of globalisation, the ever-increasing price of petroleum products on the world market and the elimination of safety nets for our export products.
- 1.4 It is, indeed, with an approach and philosophy befitting this churning economic environment that the 2008 PRB Report has been designed, developed, drafted and delivered.
- 1.5 This Report is being formulated in a context of major structural reforms already underway in the country and marked by higher and higher expectations for a responsive, proactive and performing Public Service, both from the citizens and the Government. The dynamic environment is requiring bold decisions for public sector administrative reforms to enable improved delivery on all fronts for excellence and competitiveness.

### **Orientation of the Report**

- 1.6 Understandably, a key objective of this review has been to harmonise/rationalise/streamline and modernise the reward, recruitment, training and other correlated human resource strategies to induce the desired shift in mindset and behaviour for the Public Service to keep pace with the changing environment and respond to the different challenges while maintaining its core values, sense of self worth, identity and its ability to serve successive Governments.

- 1.7 In short, the review aims at transforming public sector organisations into modern, professional and citizen-friendly entities with competent, committed and performance oriented personnel dedicated to the service of the citizen.

### **Structure of the Report**

- 1.8 The Report comprises two volumes. Volume I elaborates on the background and conditions of service. It also covers the Public Sector Management Reforms and the way forward; and highlights the organisation development and other human resource strategies to be implemented. Volume II, which is in four parts, analyses and reviews organisations and pay structures of (i) the Civil Service, (ii) Parastatal and other Statutory Bodies together with the Private Secondary Schools, (iii) the Local Authorities, and (iv) the Rodrigues Regional Assembly.

### **Background**

- 1.9 The 2003 PRB Report was approved by Cabinet for implementation as from 1 July 2003. Every employee concerned was invited to exercise an option signifying his acceptance or otherwise of the revised emoluments and terms and conditions of employment. Except for a few, the large majority of employees opted for the revised salaries and conditions of employment.
- 1.10 Subsequently, parties concerned (i.e. the official side, management, unions and employees) were invited to submit representations regarding any errors and omissions identified within three months from the date of approval of the Report. After in-depth analysis of the representations received, the Bureau published in May 2004 its findings and recommendations on the Errors, Omissions and Clarifications of the 2003 PRB Report.
- 1.11 Moreover, the High Powered Committee, by virtue of a provision of the 2003 PRB Report, made or approved such modifications or additional recommendations, as it deemed necessary, to facilitate the implementation process. Wherever necessary, new recommendations of a fundamental nature have also been made to enable organisations to fulfil their mandate efficiently and effectively.
- 1.12 Concurrently, the Bureau assisted and advised the Ministry of Civil Service and Administrative Reforms (MCSAR) in the implementation of its recommendations.

### **Approach and Methodology**

- 1.13 In the production of this Report, the Bureau has adopted a still more consultative and transparent approach. All parties were invited to submit their representations and to expatiate thereon during meetings. Representatives of Staff Associations were also invited to attend part of the deliberations during meetings held with Management in presence of representatives of the (MCSAR) when matters relating to structural changes were discussed. They were apprised

of the representations and options that could be considered and others that could not be entertained. The approach and methodology used, which again have been appreciated, are described lengthily in Chapter 3.

### **Review of Organisation Structures**

- 1.14 A meaningful pay review requires revisiting the organisations' structures to ensure that they continue to be aligned and responsive to the organisation's mission, values and strategic objectives.
- 1.15 In the 2003 PRB Report, the Bureau advocated flatter structures for improved performance and effectiveness. However, the extent to which this could be done was limited by both cost constraints and employee resistance. The situation has slightly worsened since the last review with instances where under the cover of restructuring, additional levels have been created resulting in major overlapping of responsibilities and accountabilities, thus affecting service delivery.
- 1.16 We have, therefore, re-examined all hierarchies thoroughly to do away, as far as possible, with overlapping functions, reduced the number of levels, provided for polyvalent grades, eliminated silos to the extent acceptable, clarified role/responsibility and come up with fit-for-purpose structures. This exercise has the advantage of trading off multilayers for longer salary scales so that absence of career prospects is compensated through improvement of career earnings. We have thus gone a long way in this direction particularly where parties have expressed their understanding and agreement. We consider that this is the way for the future and we have strongly recommended, accordingly.

### **Review of Pay Structures**

#### *External Relativity*

- 1.17 A survey on remuneration in the private sector, carried out by the Bureau in collaboration with the Central Statistics Office, revealed that, at the upper echelon and near the top, the pay of employees in the private sector leads pay of corresponding or comparable positions in the public sector manifold. There are also wide gaps in the benefits and other perks that are provided. At the middle management levels, though graduates and professionals in the private sector, at the initial stage of their career, draw lower salaries than their counterparts in the public sector, after a few years of experience their absolute levels of pay generally catch up with and exceed pay levels in the public sector.
- 1.18 At the lower levels, however, the public sector has generally a pay lead over the private sector. The lead is more pronounced when comparison is made with minimum wages set by the National Remuneration Board (NRB) as these are determined on an industry-by-industry and occupation-by-occupation basis and in principle benchmarked on the survival of the least economic firm. The lead,

however, narrows when comparison is made with pay in the inter-quartile range of the private sector.

- 1.19 While from the economic perspective it makes sense to partly bridge the gap at and near the top with the private sector and allowing the private sector to further catch up at levels where Public Sector pay exceeds market rates, it is also strongly argued in certain quarters that a small lead of Public Sector pay at the lower level is advisable on grounds of social policy.

*Internal Relativity*

- 1.20 As regards internal relativity, though the pay structures put in place in 2003 were 'felt fair' based on job evaluation, in a few areas the narrow differentials between the grades in the hierarchies have had an adverse effect on the motivation of employees for promotional positions. Further, the policy of tapering increases for cost of living compensation adopted over the years has caused a serious compression of pay differentials and this is being addressed.

*Pay Policy*

- 1.21 Against the foregoing, the pay policy underpinning this Report aims, among other objectives, to achieve equity implying fair relativities commensurate with responsibilities as well as protection of purchasing power to the extent possible; competitiveness implying considerations of market realities; efficiency by linking pay to productivity and performance and macro-economic stability with pay as a percentage of GDP kept within acceptable limits for sustainability.

*Pay Structures*

- 1.22 In developing the new pay structures, the Bureau has, therefore, paid particular attention to national affordability and social acceptability and also to the following:
- (i) the need to set salary levels and adopt Human Resource (HR) strategies that would enable public sector organisations to attract, recruit, motivate and retain talents of the right calibre in required numbers;
  - (ii) the need to induce our elite back home from abroad;
  - (iii) the need to re-establish relativities and differentials in reward commensurate with responsibilities and whenever desirable reflect market realities;
  - (iv) the loss of purchasing power since July 2003;
  - (v) the need for upgrading of posts requiring skills and competencies in high demand and in short supply;
  - (vi) the need to relate increased remuneration to increased productivity;



- (vii) pay as an instrument of economic management and a requirement of human resource management; and
- (viii) the principles and practice of good industrial relations.

### **Public Sector Management Reforms**

- 1.23 The challenges facing the Civil Service concern Organisational Development; Process and Systems Application; Human Resource Strategies; Pay Reforms; Customer Responsiveness; and E-Government Services. Evidently, service delivery, value for public money and performance on the frontiers of excellence are the common links which underpin the needs for continuous reforms in these areas.
- 1.24 Appropriate strategies have been crafted to respond to these main challenges which, among others, are to:
- (i) move from a multi-layered structure to flatter structures to improve accountability and facilitate decision taking while maintaining a balance between career prospects and career earnings;
  - (ii) align HR practices – recruitment , selection, rewards, training and development – with performance;
  - (iii) ensure that organisations are manned by the most suitable persons of the right competency so that the Public Sector is staffed with the right people in the right place through proper recruitment and selection criteria and opening up at appropriate levels;
  - (iv) provide for training and development to equip employees with the right competencies and attitudes at different levels; and
  - (v) introduce a reward mechanism and institutional framework to link pay to results and to motivate organisations to embrace and implement change.

### **Performance Management**

- 1.25 In this Report, we have again laid emphasis on the need to improve performance and productivity at all levels, and highlighted the importance and expediency of introducing Performance Management in all public sector organisations.
- 1.26 We have also recommended that Performance Management System needs to be mainstreamed together with Programme Based Budgeting so that both reinforce and support each other with their common focus on improving performance, transparency, accountability and the efficient achievement of planned results.

## Recruitment, Training and Development

- 1.27 For the Public Service to be responsive, employees need to be competent and have the required attitude and mindset to serve courteously and effectively in a timely manner. It is, therefore, essential to recruit candidates of the right profile, provide them with the appropriate training and reward them adequately. In this context, we have recommended that schemes of service be revisited to incorporate technical and behavioural competencies as well as the desirable mindset and attitude. Recruiting agencies would need to be equipped with the required tools and expertise for selecting the appropriate candidates. Appropriate recommendations have been made in this regard.
- 1.28 We have laid emphasis on the strategic importance of training in organisational efforts to build the required skills and competencies for employees to excel within their roles in meeting the set objectives and in quality service delivery. To this end, we have recommended an increase (a) in the number of hours of training to be dispensed per employee from 40 to up to 60 hours annually and (b) of the budget for training from around 0.25% of salary bill to 1% over the coming three to four years.

### *Leadership Capability Profile*

- 1.29 Leadership being one of the most important drivers of excellence, it is essential that selection to management or technical management positions be made judiciously. In this context, we have come up, based on foreign experience, with a Leadership Capability Profile outlining the requirements for *potential leaders* i.e. *they are expected to have the required mindset, attitude and soft skills; have acquired relevant experience through varied pathways; must possess leadership and management skills; and have the capability to deliver outcomes*. The Leadership Capability Profile is expected to serve as a guideline for potential leaders, for training of future leaders and for recruiting agencies of the public service in the selection of a diverse pool of talents.

## Performance Based Pay

- 1.30 The present pay system does not allow discrimination between low performing and high performing organisations, teams and individuals. To induce desired behaviour and attitude for improved performance, we have introduced a reward mechanism and an institutional framework to link pay to results and to motivate organisations to embrace and implement change. We have specifically made recommendations for the payment of various performance related bonuses. Among others, we have recommended the payment of a bonus equivalent to one week salary for every 1% fall in the share of Public Sector pay to GDP which has been set at around 7.5%. Details of other recommendations are given at Chapter 14.

### **Impartial Character of the Public Service**

- 1.31 To preserve and protect the impartial character of the Public Service and its ability to serve successive Governments with integrity, we have recommended on the advisability for the enactment of a Public Service Bill that would, *inter alia*, aim at clarifying and securing the boundaries within the Executive and enhance and entrench the fundamental values of the Public Service.

### **Parastatal Bodies**

- 1.32 As regards Parastatal Bodies, we have come up with appropriate recommendations on organisation structures and certain specific conditions of employment to enable them to fulfil their mandate successfully. We have thus streamlined and harmonised certain structures and have recommended, where essential, the creation of a number of additional levels and new posts to be filled on needs basis. However, we have refrained from reviewing organisation structures of certain institutions, which are presently subject to re-engineering under Government policy.

### **Local Authorities**

- 1.33 We have further pursued the process, started in the 2003 PRB Report, of harmonising and streamlining the organisation structures of all the Local Authorities, both Municipal Councils and District Councils.

### **Rodrigues Regional Assembly**

- 1.34 In order to establish clear line of accountability, we have strengthened the structures of the Rodrigues Regional Assembly with a new grade of Officer-in-Charge to be accountable to the Executive Head of the different Commissions for the delivery of services in certain departments/units e.g. Tourism, Civil Status, Transport, Consumer Protection, Education (Primary) and Library Services.

### **Conditions of Service**

- 1.35 Conditions of Service in the Public Sector have been revisited, rationalised and updated to induce desired employee behaviour and attitude for improved performance. Appropriate benefits have been maintained or reviewed and new ones introduced. We have, moreover, maintained more or less similar basic benefits for all staff with a few major changes as highlighted below. However, a hierarchy of benefits above a base has also been maintained and/or recommended according to job grades to ensure fair differentials in the total compensation package commensurate with responsibilities.

## Major Changes in Conditions of Service

### *Pension Reforms*

- 1.36 In line with Government's policy as announced in the 2006-2007 Budget for the introduction of a single modified Defined Benefit (DB) Pension Scheme applicable to all employees in the Public Sector as from 1 July 2008, a new contributory pension scheme has been designed. Employees are being required to contribute 6% of their pensionable emoluments towards their pensions. Transitional measures to secure acquired rights have also been worked out taking into account the relevant provisions of the Constitution. We deal with the whole issue of pensions and retirement benefits more elaborately at Chapter 19.
- 1.37 The present retiring age i.e. 60 years would be increased by one month every two months starting August 2008 to reach 65 years in 2018. Employees in post are being given the choice to retire at 60 or earlier as per current provisions or to proceed beyond 60 years in accordance with the new provisions. Further, the new scheme is being totally de-linked from the Basic Retirement Pension (BRP) Scheme. Decisions as regards the latter scheme do not fall to be considered by the Bureau.

### *Discounted Salaries for Officers not opting for Pension Reforms*

- 1.38 For officers, if any, who would wish not to opt for the pension reforms but instead would continue to be governed by the pension regulations in force prior to the coming into effect of this Report, the new salary structures recommended would be implemented at a discounted rate of 92%.

### *Duty-Free Car Scheme*

- 1.39 The duty deferred facilities on cars, which form an important component of the total reward package for professionals, senior officers and field officers using their cars in the performance of the duties, have been reviewed. Eligible officers have been given additional options to induce them to defer the renewal of their car. With this measure, it is expected that the number of duty deferred cars would reduce over time, as officers opt to postpone their purchases as long as their cars are still in good running condition. This may contribute to diminish the rate of increase in the fleet of vehicles.

### *Official Car Scheme*

- 1.40 Officers eligible for chauffeur driven/official cars are also being given an option to choose between an official car and a privately owned duty-free car together with a cash allowance. The renewal period, for those who opt for the official car, has been rationalised to five years. This measure is expected to reduce the cost to the exchequer and the administrative hassle in connection with the acquisition and maintenance of official cars. The erosion of benefit has been taken into account in determining the remuneration package of beneficiaries.

*Part-Time Employment*

- 1.41 In keeping with the trend worldwide, appropriate recommendations have been made to favour part-time employment which is currently almost inexistent in the Civil Service. Chief Executives have been empowered, subject to the approval of the relevant authorities, to resort to part-time employment where the work does not demand employment on a full-time basis. Provisions have also been made to facilitate public officers aged 50 or more holding substantive appointment to opt for part-time employment in order to balance their professional activities and family responsibilities. Such working arrangement is expected to have a positive impact on the development of a sound and healthy society.

*Homeworking*

- 1.42 We are introducing the concept of homeworking i.e. an arrangement involving people undertaking work primarily from their homes. This arrangement can have a positive impact on productivity as it involves a shift from a controlling to a facilitating management style and more worker self management. Chief Executives of Ministries/Departments/Organisations are being empowered, for assignments that are project-based with verifiable performance indicators, to allow certain categories of officers to work from home on certain assignments where demand exists and resources permit.

*Safety, Health and Welfare*

- 1.43 We are recommending appropriate measures for the safety and well-being of employees at work. We have recommended that all Ministries/Departments operate in conformity with Safety and Health Regulations and carry out a Risk Assessment exercise to identify adverse working environment and place the employees who are exposed to unfavourable conditions under Health Surveillance. Further, where risks are inherent in the job, we have recommended the provision of appropriate protective devices. Additionally, we are providing for flexibility in the grant of leaves to cater for a range of personal and family commitments and welfare.

**General Conditions of Service**

- 1.44 A comprehensive set of the general conditions of service is given in the appropriate sections of this Volume. The Conditions of Service in relation to Rodrigues and the Outer Islands are at Chapter 22. Other specific Conditions of Service are dealt with in other Chapters concerning the relevant organisations in the appropriate Volumes of this Report.

### **Implementation and Interpretation**

- 1.45 As it is essential that appropriate mechanism be provided for successful implementation and correct interpretations, the Ministry of Civil Service and Administrative Reforms should continue to ensure that conditions of service are accurately implemented. The Ministry should also continue to report to the Bureau cases requiring amendments, alterations or clarifications.

### **Master Salary Scale and Conversion Table**

- 1.46 A new Master Salary Scale has been designed absorbing the quanta of cost of living allowances paid since July 2004 and also taking into consideration the relevant criteria mentioned at paragraph 1.22.
- 1.47 Relevant segments of the Master Salary Scale have been identified and selected to form the respective pay scales. An appropriate conversion table has been worked out and is given at Chapter 23 dealing with the implementation of the recommendations in this Report.

### **Effective Date**

- 1.48 The effective date for the implementation of the recommendations contained in the Report is normally the 1 July 2008 except where otherwise stated (vide Chapter 23).
- 1.49 However, in view of the significant budgetary implications of this exercise, the salary recommendations are being phased over two financial years. Payment would, therefore, be staged as follows: From 1 July 2008 to 30 June 2009, the salary increases would be effected at the discounted rate of 75% and thereafter with effect from 1 July 2009, payment would be effected in full. Moreover, to ensure a minimum acceptable increase at the lower levels, all increases *up to Rs 1250 a month*, net of pension contribution, have not been discounted but are being paid in full this year itself i.e. 2008-2009. A minimum increase of Rs 1000, net of pension contribution, is being ensured at the lowest level. Details of conversion are provided at Annex I of this Report.

### **Implementation Costs and Measures to Step up Savings**

- 1.50 The implementation costs at one go of the recommendations made in this Report inclusive of Cost of Living Allowance (COLA), annual increment and employee's pension contributions integrated in salary would have cost Rs 5.2 billion for the financial year 2008-2009. With the phasing of the Report, the implementation costs for the financial year 2008-2009 are estimated at Rs 3.9 billion (75% of salary increase in first year) inclusive of Cost of Living Allowance (COLA), annual increment and employee's pension contributions. It would, therefore, be desirable that appropriate saving schemes be evolved to mop up excess liquidity in the economy.

## The Way Forward

- 1.51 We have set the appropriate pay and organisation structures and conditions of employment that befits the present environment and the directions to deal with the challenges facing the Civil Service.
- 1.52 We are confident that the new remuneration package and revised conditions of service will yield desired results in boosting employee morale and commitment for improved performance and, at the same time, help maintain good industrial relations. It is expected that the mix of recommendations would create the desired motivation for a performance culture to emerge and for the civil service to move to a higher performance mode. The new corporate culture and eventual change in mindset that should emerge together with the reform process to gradually eliminate bureaucratic impediments for clearer accountability should bring major improvement for services to be provided effectively with competency, commitment, courtesy, speed and integrity.
- 1.53 We would like to underline the fact that this Report is a holistic document and has to be treated as an organic whole since all the major recommendations contained therein are inextricably inter-twined. The Authorities, therefore, would be well advised to consider implementing all the major recommendations contained in the Report as a package.**

## Acknowledgement

- 1.54 We wish to convey our thanks and gratitude to all representatives of Ministries/ Departments, Parastatal Bodies, Local Authorities, Rodrigues Regional Assembly and the Private Secondary Schools as well as all the Federations of Staff Associations including other Staff Unions for their collaboration and valuable contributions.
- 1.55 We are equally appreciative of several professional bodies as well as the Management of Institutions, both public and private, although not falling under the purview of the Bureau, for having unhesitatingly volunteered to supply us with precious data/information essential in the formulation of our recommendations.
- 1.56 We are also placing on record our appreciation for the contributions of a number of officials and other professionals, who have, in one way or the other, assisted us in the preparation of this report. We are indebted to so many persons that a complete acknowledgement would be encyclopaedic. For fear of omission, we are not mentioning any person by name. We know we can count on their indulgence.

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## **2. ECONOMIC BACKGROUND**

- 2.1 Mauritius is facing a number of challenges both on the international front and locally. The erosion of trade preferences with the dismantling of the Multifibre Agreement, the sharp cuts in the EU sugar price and the increasing number of actual and potential competitors have affected the international competitiveness of Mauritian exports. In addition, the surge in oil prices has significantly increased the import bill and production costs. On the local front, the economy is being constrained by numerous rigidities in the product, labour and financial markets. As a result, the Mauritian economy registered a marked slowdown with an average annual growth rate of around 3.8% during the period 2003-2005 as compared to the historical average of above 5%. The sugar and textile sectors contracted during that period whilst the tourism, construction and other manufacturing sectors grew at a relatively slower pace.
- 2.2 With a view to addressing these challenges, Government is implementing a comprehensive reform programme based on four pillars, namely: (i) fiscal consolidation and improving public sector efficiency; (ii) enhancing trade competitiveness by restructuring existing sectors and diversifying into emerging sectors such as ICT and BPO, the land-based oceanic industry, the seafood hub and aquaculture, the knowledge and medical hub, and light engineering; (iii) improving the investment climate to take Mauritius among the top ten nations in the Ease of Doing Business ranking and to further open the economy to foreign ideas, capital, technology and expertise; and (iv) democratising the economy through participation, social inclusion and sustainability. These reforms have contributed to a significant recovery in economic activities during the past two years with overall output growing by 5% and 5.4% in 2006 and 2007 respectively.
- 2.3 The implementation of these reforms has, indeed, improved the economic prospects for Mauritius. However, there are a number of risks to maintaining these positive results. The economic slowdown in major trading partner countries, triggered by the sub-prime mortgage crisis, and surging oil and food prices are significantly affecting domestic demand in these countries and are thus creating significant spill-overs in emerging markets and developing economies like Mauritius.
- 2.4 On the domestic front, labour productivity growth is not adequate enough to absorb the increase in average compensation, thus resulting in rising unit labour cost that, in turn, erodes export competitiveness. Moreover, the appreciation of the rupee resulting from the success of the reform programme is affecting export sectors, in particular textile exports, and the tourism sector. The labour market reflects growing skills mismatch and does not allow for the required flexibility that would speed up investment and further accelerate the pace of employment



creation. Investment in public infrastructure and services remains subdued and falls short in meeting the increasing needs of the emerging sectors and of a modern economy. Much still remains to be done in budgetary and public sector reforms, such as the implementation of the programme based budgeting framework, the introduction of performance management system across the civil service and the implementation of a programme to re-engineer the jeopardised sectors. These are, indeed, daunting challenges which could jeopardise potential gains from reforms.

2.5 The present salary review exercise has thus been carried out taking into consideration these challenges and risks, and the measures being taken by Government to address them. The policy objective of this pay review has been to ensure:

- (i) **Equity**, implying fair relativities commensurate with responsibilities and competencies;
- (ii) **Efficiency**, by linking pay to productivity and performance to the extent possible;
- (iii) **Macroeconomic stability**, with pay as a percentage of GDP kept within acceptable limits; and
- (iv) **Competitiveness**, implying a need to link pay to productivity and not just to inflation

with the focus to transforming Public Sector Organisations into modern, professional and citizen friendly entities with competent, committed and performance oriented personnel dedicated to the service of the citizen.

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### **3. APPROACH AND METHODOLOGY**

- 3.1 In this Chapter, we elaborate on the Approach and Methodology adopted for the preparation of this Report. In the main, we have not departed from the broad strategy adopted for the previous Reports save that we have improved in organising ourselves to gather maximum information in a planned and systematic manner while maintaining openness and a consultative approach towards all stakeholders.
- 3.2 The challenging economic situation, Government's reform initiatives and the rising expectations of our large customer base (comprising 20 Ministries, 55 Departments/Divisions, 86 Parastatal Organisations, nine Local Authorities, the Rodrigues Regional Assembly, 109 Private Secondary Schools and 300 Staff Associations) covering some 83,000 employees and 23,000 pensioners have impacted immensely on our methodology to fish for, probe into, and analyse information and data collected.
- 3.3 Before embarking on the Report, we organised our technical resources as desk officers and in groups (panels). They have been inspired to be always on the alert to find out, examine and classify relevant information from various sources including the media (both written and audio) and to carry out research through the net on specific issues to be covered in the Report. This was followed by focused brainstorming on relevant topics. Through this strategy, which is an on-going process, our technical staff produced valuable inputs for the agenda of consultative meetings with stakeholders and for decision taking.
- 3.4 We also:
- sought for basic information and updated our records regards the vision, mission and objectives of the respective organisations as well as the organisation charts, staff lists and Conditions of Service
  - planned carefully the consultation programmes with all our stakeholders to ensure that everybody was given appropriate and timely hearing
  - conducted a series of surveys to obtain relevant information to update our job data bank, and on Conditions of Service to gauge the effectiveness of our past recommendations and reform initiatives
  - had a fresh look at our job evaluation schemes to ensure their current validity, assessed the jobs and used the job ratings as one of the determinants to fix salaries

## **Consultations**

- 3.5 Consultations with Staff and Management provided a platform to share views prior to decision making and an opportunity to obtain first hand information on working practices, procedures and work-life experiences.
- 3.6 At the very outset, the Chief Executives and Heads of Public Sector Organisations were given details of the procedures to be adopted in the conduct of the review, and their collaboration and cooperation were sought.
- 3.7 In the first instance, meetings were held with the main employees' federations, namely the Federation of Civil Service and Other Unions, the State Employees Federation, the Federation of Parastatal Bodies and Other Unions, the Mauritius Trade Unions Congress, the Mauritius Labour Congress and the Federation of Progressive Unions to discuss Conditions of Service and other general issues like Pension, Retirement, Performance Management and Training.
- 3.8 All the Unions indistinctly and every individual staff member who had expressed the desire to depon were convened and given the opportunity to make their case to a panel comprising the Director, the Deputy Director and members of the Technical Staff or to a representative panel of the Bureau. Members of the different Federations generally accompanied their affiliates during those meetings. In a few instances parties were accompanied by their legal adviser.
- 3.9 Subsequently, meetings were held with management of all organisations. Representatives of the Ministry of Civil Service and Administrative Reforms (MCSAR) attended all these meetings. The representatives of parent Ministries also attended hearings with Parastatal and other Statutory Bodies and Local Authorities under their jurisdiction. Union members who were also present for part of these meetings were given maximum information and explanation on the merits and demerits of their proposals. Their views were solicited on pertinent issues and they were sounded for acceptable options for inclusion in the Report.
- 3.10 On the whole, the representations from the staff side related to:
- claims for better salaries
  - improvements in Conditions of Service
  - creation of additional levels or merger of grades
  - payment of allowances
  - provision for training
  - grant of special privileges and incremental credits
  - upgrading of qualifications
  - mode of appointment (selection or promotion)

- 3.11 They also highlighted their concern regarding impact of new technologies and implementation problems relating to past recommendations.
- 3.12 On the other hand, Management submissions related principally to:
- redesign of organisation structures
  - introduction of the total reward systems
  - conditions of service specific to their respective organisations
  - attracting and retaining talents
  - performance management system and training programmes
  - public sector management reforms
- 3.13 All the representations and submissions were carefully analysed and views and opinions put forward have been considered in the formulation of the recommendations of this Report.

### **Job Description Writing**

- 3.14 All the job descriptions falling under our purview had to be updated. Given the large number of jobs that had to be surveyed at one time (hence the number of job descriptions to be written), the geographical dispersion of incumbents and the limited resources of the Bureau, we conducted the exercise using a job description questionnaire, designed to suit the diverse groups of employees in the Public Sector and to obtain all relevant data essential for evaluation purposes.
- 3.15 As it was neither possible nor desirable to cover all the 83,000 Public Sector employees, we selected, using the stratified sampling method, at least 10% of the working population in each grade, for the job description writing exercise. However, where the establishment size was small, discretion was used to sample a greater number of employees so as to obtain a complete picture of the job and a thorough knowledge about the duties. The job description questionnaires, together with instructions and guidelines, were sent to the selected jobholders inviting each of them to fill in his job description and thereafter, have it vetted by his immediate supervisor. The selected jobholders could also obtain assistance by telephone or personal contact from the technical staff of the Bureau.
- 3.16 As regards grades in the Workmen's Group, the job incumbents were interviewed at the PRB or their worksites by officers of the Bureau and the job description questionnaires filled in.
- 3.17 The duly filled in Job Description Questionnaires were examined at the Bureau to ensure completeness regarding jobs' functions, relationships to other jobs, the essential tasks and working conditions among others. It was, also, ascertained

that the questionnaires were duly signed by jobholders and vetted by the respective immediate supervisors.

- 3.18 Officers of the Bureau personally contacted jobholders and supervisors to clarify ambiguous points and omissions.

### **Surveys**

- 3.19 The Bureau also used a survey strategy to collect required data from the sizeable population of the Public Sector. Appropriate questionnaires were designed to collect the required information. The surveys conducted were on the introduction/implementation of Flexible Hours of Attendance to combat tardiness; Sick Leave; Communication Facilities; Task Work; Part-Time working; Travelling by car; Training and Staff Development; Recruitment and Retention; Budget, Personnel and other related issues.
- 3.20 The results of the survey were summarised and analysed using statistical methods. Patterns/trends that evolved were essential to gauge the effectiveness of our previous recommendations and identify underlying causes of impediments. These were helpful to address omissions and flaws and to bring necessary improvements.

### **Site Visits**

- 3.21 Formal site visits were effected by officers of the Bureau whenever it was deemed necessary and also at the request of Management or Staff to take cognizance of working conditions and environment, the customs and traditions of the workplace, work process changes, and the effect of new technologies. These site visits were very instructive and valuable for the review exercise. Employees openly expressed their satisfaction to such initiatives.

### **Visit to Rodrigues**

- 3.22 A visit to the Island of Rodrigues was organised for consultations with Unions and Management and for the conduct of surveys and job analysis.
- 3.23 A technical team comprising Survey Officers led by a Job Analyst went to the Island mainly to conduct job surveys. Some 110 officers were interviewed and their job descriptions written. Site visits were made to take cognizance of distinctive features related to the set up and working conditions.
- 3.24 Another team comprising the Director, Deputy Director and a Principal Job Analyst and two representatives of the MCSAR were in Rodrigues for consultations with Staff and Management. Preliminary meetings were held with the Island Chief Executive and other Senior Staff of the Rodrigues Regional Assembly to explain the details of the programme.

- 3.25 All the unions – Rodrigues Government Employees Association (RGEA), the Rodrigues Public Service Workers Union (RPSWU) and the Government Servants Association and every individual who wished to depone were given the opportunity to make their case *viva voce* before the panel chaired by the Director. Members of the Federation of Civil Service and other Unions and the State Employees Federation were present while their affiliates deponed.
- 3.26 Subsequent meetings were held with Management and Heads of Departments in presence of representatives of the MCSAR. Members of the Unions attended these meetings when matters relating to structural changes were discussed.

### **Job Evaluation**

- 3.27 Jobs were assessed using the point rating system on the basis of the job descriptions and official schemes of service.
- 3.28 Both the existing Manual and Non-Manual Job Evaluation Schemes were revisited to ensure their current validity. The benchmark grades were assessed using the revised schemes to ensure that the relevant job characteristics matched with the existing compensating factors. Where necessary, the factors in the job evaluation schemes were redefined to evolve and build up the desired benchmark hierarchy of grades.
- 3.29 Following the publication of each PRB Report, unions manifest their dissatisfaction with regard to the ranking order of jobs established through job evaluation. With a view to avoiding similar criticism and to ensuring unions' participation, the Bureau, as for the previous Reports/Reviews, provided Staff Associations with a list of benchmark grades and benchmark hierarchies. They were invited to submit their views and comments thereon and the pattern they would wish to see emerged in terms of ranking order. However, it is a matter of regret that there has been again no response on this crucial part of the exercise.
- 3.30 On the other hand, Federations in general expressed the wish for their affiliates to depone separately. This is understandable as in many instances, one affiliate would argue that the grades it represents should be pegged higher than those represented by other affiliate/s within the same Federation. Evidently, had the different affiliates attended the same meeting, executive members of the Federation would have found themselves in embarrassing situations not knowing which side to take.
- 3.31 Moreover, even when the various Federations attended meetings called by the Bureau to discuss major issues, they could rarely come up as a united front with a consensus.

- 3.32 The Bureau expects that over time Federations would be able to convince their affiliates to come up with reasonable and non-contradictory submissions as well as to reach consensus in respect of important issues.
- 3.33 Notwithstanding the absence of views spelt out at paragraph 3.29, the revised job evaluation schemes were then validated and finalised, and the remaining grades under review assessed. The job evaluation exercise was then carried out by panels, composed of technical staff of the Bureau. The job rating results of the panels were subsequently controlled by a supervisory team to ensure accuracy and consistency in the application of evaluation criteria/factors.
- 3.34 The total job scores i.e. job content and qualification ratings of entry grades have been used as basis to determine the salary grading for the jobs. For promotional grades, in addition to the job content scores, the position in their respective hierarchies, and such other requirements as additional qualifications, specialised skills, competencies and experience were also taken into consideration to arrive at the recommended salary level. Moreover, grades on shift work, roster and staggered hours have been compensated by way of additional increments in the respective salary scales.

#### **Master Salary Scale**

- 3.35 We have maintained our previously adopted policy to have a single master salary scale for all employees on time scales. A single master salary scale provides the basis for a harmonised salary structure and facilitates salary administration.
- 3.36 Taking into account the current master salary scale, we have designed a new one with appropriate modifications to cater for the different compensation factors and to ensure harmony in pay increases. The master salary scale is given hereunder:
- Rs 6250 x 175 – 6600 x 200 – 10200 x 250 – 11700 x 300 – 13800 x 400 – 15000 x 500 – 16000 x 600 – 23200 x 800 – 28000 x 1000 – 30000 x 1250 – 50000 x 1500 – 56000 x 2000 – 70000**
- 3.37 Relevant segment of the master salary scale has been worked out for each group of grades after considering the evaluation results, the number of levels within the relevant hierarchy and where applicable, the salary of the source grade while rationalising the length and width of scales.
- 3.38 Salary scales between two levels in a given hierarchy have been, as far as possible, marked by a difference of three incremental points to reflect the promotion aspect and higher responsibilities.

- 3.39 The grant of annual increments (the rules for progression have been lengthily dealt with in Chapter 18.9) acknowledges the increasing experience and performance of job holders over time. The pay rates at the top of the salary scale represent a target and incentive for those at lower levels, and in future, should be for recognition of acquired experience, sustained performance and loyalty of staff.

### **Presentation of the Report**

- 3.40 The Report is presented **in two main Volumes** viz.: **Volume I** – General Background and Related Issues and Conditions of Service and **Volume II** – **Part I:** Civil Service; **Part II:** Parastatal and Other Statutory Bodies and the Private Secondary Schools; **Part III:** Local Authorities and **Part IV:** Rodrigues Regional Assembly.
- 3.41 As regards the Civil Service (Volume II Part I), the grades have been placed by hierarchy in their respective Ministries/Departments/Organisations. Generally, the grades of the Senior Chief Executive and Permanent Secretary have been included in appropriate Ministries, to reflect the operational position as the Responsible Officer. As for grades of the specialised cadres like Finance, Personnel, and those of the General Services, although the incumbents service the various Ministries/Departments our recommendations in their respect are found under their responsible Ministry only.
- 3.42 A separate Chapter in Volume II Part I deals with the Workmen’s Group, on account of the large number of grades in this group and the specificity of certain conditions related to them. However, the recommendations on pay have been made under the respective responsible Ministries/Departments/Organisations.
- 3.43 As regards salary coding, we have maintained the same system, as in the 2003 PRB Report, using a six-digit code. The first set of two digits indicates a classification on the basis of the nature of work. The second and the last sets of two digits indicate the initial and top salaries of the grade respectively and these represent relevant salary points of the Master Salary Scale. For flat salaries the second two digits being “00” shows that there is no initial salary for the grade. The salary codes used for Parastatal Bodies and Local Authorities are generally acronyms of the Organisation/Department with numerical annotations.
- 3.44 The salary schedules are in descending order except, in Parastatal Organisations where they are presented in ascending order of salaries.

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## **4. RECRUITMENT AND RETENTION IN THE PUBLIC SECTOR**

- 4.1 A critical success factor for efficient and effective public service-delivery is based on the ability to recruit and retain staff of the right calibre with appropriate competencies and attitudes and to keep them motivated. Though recommendations were made to tackle recruitment and/or retention problems in previous reviews, some organisations still face specific skill shortages particularly when the job market is tight. In these areas, recruitment and retention problems will continue to become acute if not coherently addressed. This chapter provides an overview and contains our analysis of the current situation, highlights the critical issues and recommends the way forward.
- 4.2 In past Reports, we found out that the problems of scarcity and retention were mainly due to 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. To improve the situation, we had recommended in the 2003 PRB Report a series of recruitment and retention initiatives including better pay package and negotiable terms. Other major strategies included new employment practices, training schemes, organisational remedies like creation of trainee grades and stricter enforcement of bonds.

### **Survey on Recruitment and Retention Problems in the Public Sector**

- 4.3 In June 2007, the Bureau carried out a fresh survey to assess the extent to which the measures, enunciated in 2003, have been effective in alleviating the problems and to take stock of the actual situation to enable the formulation of appropriate recommendations. Data were collected via a survey questionnaire which was sent to all Heads of Ministries/Departments, Parastatal and other Statutory Bodies, Local Authorities and the Rodrigues Regional Assembly. The information sought covered the last four financial years, from 2003-2004 to 2006-2007. During consultations with Management, the nature, size and causes of the recruitment and retention problems were also explored to have a shared understanding about how sizeable the problem is, where problems are most or least acute, or, fundamentally about why there is a problem in the first place.

### **Findings and Observations**

- 4.4 We, hereunder, elaborate on the major findings revealed by the survey, explore the existing data on vacancies, identify the key pressure points, draw conclusions about the size and scale of the problems, and focus on the actions that organisations have taken to improve recruitment and retention. We deal, in the first instance, with the Civil Service where the phenomenon of scarcity may be more complex on account of the vast array of grades; and thereafter, with the

Parastatal and other Statutory Bodies and Local Authorities as well as the Rodrigues Regional Assembly.

- 4.5 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 degree/professional or technical qualifications and having registered a vacancy rate of around 20% and above. We have equally reported on a few cases though not falling within this framework but which, for obvious reasons, require our attention. The major findings revealed are given in the ensuing tables. The tables give, *inter alia*, the establishment size of each grade reported upon and the vacancy rate as at 30 June 2007. Vacancy rate refers to the number of vacant posts as a percentage of established posts.

**Table I - Vacancy Rate in Grades requiring Degree/Professional/Technical Qualifications in the Civil Service**

<b>Ministry/Department</b>	<b>Grade</b>	<b>Establishment Size as at June 2007</b>	<b>Vacancy Rate (%) as at June 2007</b>
Ministry of Public Infrastructure, Land Transport and Shipping <i>(Public Infrastructure Division)</i>	Architect	20	60.0
	Quantity Surveyor	10	80.0
Ministry of Public Infrastructure, Land Transport and Shipping <i>(Land Transport and Shipping Division)</i>	Marine Engineering Surveyor	3	33.3
	Nautical Surveyor	3	66.7
Ministry of Education and Human Resources	Education Officer (Marathi)	24	66.7
	Education Officer (Telugu)	30	56.7
	Education Officer (Tamil)	50	50.0
	Education Officer (Western Music)	29	86.2
Registrar-General's Department	Attorney	2	100.0

Ministry/Department	Grade	Establishment Size as at June 2007	Vacancy Rate (%) as at June 2007
Deputy Prime Minister's Office, Ministry of Finance and Economic Development (Valuation Department)	Government Valuer	19	31.6
Ministry of Foreign Affairs, International Trade and Cooperation ( <i>International Trade Division</i> )	Controller, Industrial Property Office	1	100.0
Attorney General's Office and Ministry of Justice and Human Rights	State Attorney	7	40.0
Ministry of Civil Service and Administrative Reforms	Safety and Health Officer/Senior Safety and Health Officer	10	50.0
Ministry of Labour, Industrial Relations and Employment	Occupational Safety and Health Inspector	37	27.0
Ministry of Health and Quality of Life	Specialist/Senior Specialist	247	49.8
	Bio-Medical Engineer	3	100.0
	Clinical Psychologist	5	80.0
	Midwife Educator	4	100.0

**Table II – Vacancy Rate in Grades requiring Degree/Professional/Technical Qualifications in the Parastatal and other Statutory Bodies and the Local Authorities**

Organisation/Department	Grade	Establishment Size as at June 2007	Vacancy Rate (%) as at June 2007
Conservatoire de Musique Francois Mitterrand Trust Fund	Music Tutor	3	33.3
Mauritius Institute of Health	Training Officer	5	20.0
Mauritius Museum Council	Museum Educator	2	100.0
State Trading Corporation	Risk Management Officer	3	33.3
Wastewater Management Authority	Process Engineer	1	100.0
	Project Manager	6	66.7
Municipal Council of Beau-Bassin/Rose-Hill	Attorney	1	100.0
	Safety and Health Officer/Senior Safety and Health Officer	1	100.0
Municipal Council of Vacoas/Phoenix	Attorney	1	100.0
	Safety and Health Officer/Senior Safety and Health Officer	1	100.0
Black River District Council	Safety and Health Officer/Senior Safety and Health Officer	1	100.0
Moka/Flacq District Council	Safety and Health Officer/Senior Safety and Health Officer	1	100.0

- 4.6 The study provides further empirical evidence and explanatory details such as the trend over the last four financial years, recruitment attempts made, remedial measures taken, retention problems and the reasons for turnover. These are given in the **Appendix to this Chapter**.

### **Conclusions and Recommendations**

- 4.7 The foregoing overview confirms that the market is tight or the package is insufficient compared to the private sector in areas such as Quantity Surveying, Marine Engineering, Architecture, Valuation, Law, and Occupational Health and Safety. Though the findings refer to the situation up to June 2007, it has been confirmed that on the whole the situation is very much the same today. It has also been reported during consultations that several areas where rapid development is taking place or where the market is global like the financial services, there is the likelihood of significant turnover if measures are not taken on time, e.g. it has been reported that several Accountants have left for Canada.
- 4.8 As a short-term solution to tackle the problem of scarcity, several organisations have, in line with the 2003 PRB Report recommendations, resorted to the employment of locals or expatriates through consultancy or on a contractual basis. In other instances, Management has 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 of schemes of service to facilitate recruitment, and setting up of training schemes whereby cadets/trainees have been recruited and sponsored to pursue further professional studies abroad.
- 4.9 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, in line with the principles enunciated in the 2003 PRB Report.

#### **Employment Practices**

- Employment on contract or consultancy basis of locals and expatriates
- Employment on a 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 a 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 given 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 enhanced fringe benefits
- Grant of allowances for performance of additional duties
- Introduction of special service allowances as a retention measure in certain sectors

4.10 Against such a background, we may conclude that the measures enunciated, in the 2003 PRB Report, to alleviate the problem of scarcity have, on the whole, been effective. The best responses show that recruitment and retention are issues that go to the heart of the way that organisations are managed and led. Matters have not been left unattended, but on the contrary, various types of initiatives have been taken to improve recruitment, to encourage workers to stay and to make the most of the skills and capacity of existing staff. Each initiative was prompted by a specific concern about either recruitment, retention or service delivery. In almost all scarcity areas, particularly where the problem was acute, prompt and repeated recruitment attempts have been made by the appropriate authorities. 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.

4.11 While recruitment and retention initiatives have yielded results in many instances, new demands in line with the dynamic economy and challenges in this new global village have made the market tight in other areas. Understandably, in spite of all recruitment efforts made, a few public sector organisations are still being faced with the phenomenon of scarcity in certain

professional/technical fields like Quantity Surveying, Marine Engineering, Architecture, Valuation, Law, Occupational Health and Safety, Bio-Medical Engineering, Clinical Psychology and the different Medical Specialities.

- 4.12 To improve the situation, 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. A special consideration has been given in instances where our past pay recommendations did not suffice. In several cases, depending upon the degree and extent of the problem additional recommendations have been made in the relevant literature under the appropriate sections. We are confident that the revised packages recommended should solve the problems of recruitment and retention in most areas. However, sustained effort in the fight against scarcity and retention should be maintained and management of public sector organisations should continue to stand guided by the ensuing recommendations which have, so far, proved to be effective tools to tackle the problems of recruitment and retention.
- 4.13 The remedy for problems in overall demand and supply of skills is inevitably long term. This does not mean that action can, or should, wait. Demand by the citizens and government for improved public services compels government and public sector organisations to take action to manage staff shortages quickly. In this context, focusing on problems which can be addressed in the short and medium terms is critical. Looking at why people join and leave the public sector helps to identify these problems and tells us what we must get right to recruit, retain and motivate staff. Recruitment is expensive; and earlier research has shown that, on average, new recruits perform at only 60 per cent of their productive potential when they are first appointed, reaching 100 per cent only after they have been in a post for a year.

#### **Recommendation 1**

##### **4.14 We recommend that:**

- (i) Ministries/Departments/Organisations concerned by the problem of scarcity should, as has been the case after each major review, 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.**

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

#### **Recommendation 2**

- 4.16 **We recommend that Ministries/Departments/Organisations should examine persistent cases of recruitment and retention problems; choose the best course of action enunciated in the light of the measures outlined at paragraph 4.9 and the options spelt out at Chapter 16 on “Employment on Contract and Alternative Modes of Employment” and submit their proposed course of action to the Ministry of Civil Service and Administrative Reforms (MCSAR) for consideration and approval and proceed accordingly.**

#### **Recommendation 3**

- 4.17 **We again 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 MCSAR.**
- 4.18 **We further recommend that the MCSAR may, subject to the concurrence of the High Powered Committee, continue to 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.**

#### **Exit Interview**

- 4.19 In several instances employees leave their organisations because their wants and needs are not being fulfilled. The reasons may include the following: incompatible corporate culture; unsatisfactory relationships with co-workers; lack of motivation; insufficient support to get tasks accomplished; inadequate opportunities for growth; job dissatisfaction in relation to compensation offered; job complexity; and employer/employee relationship.
- 4.20 Surprisingly, many public sector employers know little about why the staff are leaving their jobs. This is simply because none of the former public sector employers had had an exit interview. Employers are missing a key piece of the information that would help them to understand and improve the working conditions of their staff. If employers are to develop meaningful recruitment and retention initiatives they cannot afford to continue missing such valuable information.



- 4.21 It is, therefore, 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**

- 4.22 We recommend that the MCSAR should ensure that an exit interview is carried out to keep the service abreast of the reasons for staff turnover in areas where the market is tight as shown in Tables I and II and in the Appendix to formulate corrective actions and adopt the necessary measures enunciated at Paragraph 4.9.**

#### **Enforcement of Bonds**

- 4.23 Training is an expensive operation and it represents a sizeable investment in the apprentice years during which the person learns more than contributes. To ensure that training undergone at public expense is not wasted, trainees recruited are, invariably, bonded by an amount equivalent to the full cost of the training expenses incurred on them.
- 4.24 In the context of this review, the Bureau has assessed the effectiveness of its 2003 recommendations regarding the enforcement of bonds with a view to further facilitating implementation and removing rigidities, if any, in the system. The Financial Secretary was asked to apprise the Bureau of any practical and administrative difficulties encountered in the enforcement of bonds; any improvement, deemed desirable, to the existing policy; and the views on the duration of the various bonded periods.
- 4.25 The Financial Secretary has, while concurring with the duration of the various bonded periods, reported the following: (a) too many cases are being referred to the Ministry for decision; (b) bonded officers are reluctant to refund the amount due in a lump sum and request for facilities to refund in instalments; (c) in several cases, the sureties are members of the same family and they claim that their total income is not sufficient to repay the bonded amount; and (d) the Terms and Conditions of Bonds, which are not clearly defined, should be reviewed to be more explicit and comprehensive.
- 4.26 In the light of the foregoing submissions, we have revisited the scheme to render it more effective and implementable.

## **Recommendation 5**

**4.27 We recommend that:**

- (a) 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/traineeship is 12 months or less or (ii) five years if the course duration/traineeship is more than 12 months but up to 36 months or (iii) seven years if the course duration/traineeship exceeds 36 months. The bonded 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 up to two additional increments, subject to the approval of the MCSAR.
- (b) In case a Ministry/Department wishes 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.
- (c) 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 periods should be made to honour fully the obligations of their bonds within a period of 15 days from the date of abandonment of training or vacation of office.
  - (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 (b) above.

## **Recommendation 6**

**4.28 We further recommend that:**

- (i) the Ministry of Finance and Economic Development (MOFED) should, for consistency, standardise the lay out of the agreement and review the conditions contained in the bond to make them more explicit and comprehensive so that the parties concerned are aware of the various implications in case of breach of agreement;

- (ii) **Ministries/Departments should seek the views of the MOFED on the terms and conditions governing the bond and should ensure that the bonded officer produce a bank guarantee for the bonded amount and sureties produce evidence that they have the capacity to honour the bond in case of default;**
- (iii) **to render the system more efficient and effective, Ministries/ Departments should, in the event of the breach of agreement, enforce bonds and allow bonded officers and sureties to refund the amount in instalments within a maximum period of two years in case of inability to pay in a lump sum; and**
- (iv) **only exceptional cases e.g. where the organisation is satisfied that there may be good reasons for waiving of bonds in whole or in part should be referred to the MOFED.**

**Recommendation 7**

**4.29 We also recommend that, in the process of enforcing bonds, the MOFED 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.**

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Appendix

**Results of Survey on Recruitment and Retention in the Public Sector**

**CIVIL SERVICE**

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

*Architect*

The grade of Architect has registered a vacancy rate well above 20% during the last four financial years - 30% in 2003–2004 and 2004–2005 before reaching 50% in 2005–2006 and peaking with the figure of 60% as at 30 June 2007. Of the eight officers in post as at 30 June 2007, out of an establishment of 20, one officer resigned representing a turnover rate of 12.5%. The recruitment exercise carried out in March 2006 to fill 12 vacancies resulted in the recruitment of only two Architects. Action has, therefore, been taken to advertise the post on contract locally. To palliate the shortage, today five Architects are employed on a contract basis - two Indians and three Mauritians.

*Quantity Surveyor*

No marked improvement has been noted with regard to the recruitment and retention of Quantity Surveyors. The vacancy rate has continued its upward movement from 25% since the last Report to reach 80% in June 2007. Out of 10 posts on the establishment only two posts were filled. It has not been possible to fill all the vacancies advertised as there were no sufficient qualified candidates responding to the advertisements. Furthermore, one Quantity Surveyor resigned in financial year 2006–2007. In spite of the measures introduced in the 2003 PRB Report for a flexible remuneration system and reduction in the years of experience required for promotion within the cadre, the situation has not improved.

*Marine Engineering Surveyor*

*Nautical Surveyor*

The grade of Marine Engineering Surveyor has registered over three consecutive years a vacancy rate of 33.3%, i.e two posts filled out of an establishment of three. However, in financial year 2006–2007, the vacancy rate was of the order of 66.7%.

The three posts of Nautical Surveyor which were all filled in 2003–2004 and 2004–2005 have gradually, with the promotion of the officers in post, become practically vacant with only one officer in post.

Attempts made by the Public Service Commission in 2006 to fill the vacancies in the grades of Marine Engineering Surveyor and Nautical Surveyor have not been successful. With regard to the post of Marine Engineering Surveyor, the Public Service Commission received five applications but all the five candidates did not possess the required qualifications. With regard to the grade of Nautical Surveyor, the Public

Service Commission informed the Ministry that no qualified candidates responded to the advertisement. Action has, therefore, been taken to advertise the vacant posts in the grades of Marine Engineering Surveyor and Nautical Surveyor in India.

### **Ministry of Education and Human Resources**

#### *Education Officer*

Overall, the grade of Education Officer does not suffer from any major problem of recruitment and retention. However, there are certain areas, which are scarce. Subject wise, these are Marathi, Telugu, Tamil and Western Music. To alleviate this problem, in the short term, the Ministry is having recourse to supply teachers recruited from among HSC holders.

### **Registrar-General's Department**

#### *Attorney*

The two posts of Attorney on the establishment of the Registrar- General's Department had remained vacant since 2003–2004 with a vacancy rate of 100%. To alleviate the situation, in the short term, Attorneys posted at the State Law Office are given an *ad hoc* allowance to service the Registrar-General's Department. The inconvenience is that they are not physically present at the office and they cannot cover the whole schedule required of an Attorney.

The Registrar-General's Department has requested for Attorneys to be recruited by the State Law Office and posted to the Registrar-General's Department as the services of these officers on a full-time basis will definitely help in the prompt recovery of arrears of revenue. However, the State Law Office itself is encountering difficulties to fill all vacancies on its establishment.

### **Deputy Prime Minister's Office, Ministry of Finance and Economic Development**

#### *Government Valuer*

The grade of Government Valuer, which was not reported upon as scarce in the 2003 PRB Report, has registered a vacancy rate of 31.6% as at 30 June 2007, six posts being vacant out of an establishment of 19. In financial year 2006-2007, two officers left the service for the private sector. It has not been possible to fill all the vacancies due to a shortage of suitably qualified candidates on the labour market.

### **Ministry of Foreign Affairs, International Trade and Cooperation**

#### ***International Trade Division***

#### *Controller, Industrial Property Office*

The only post of Controller, Industrial Property Office has remained vacant during the last four financial years. Attempts made to fill the vacancy has not been successful and the Public Service Commission has informed the Ministry that no qualified candidates have applied for the post in response to the advertisement.

The Controller, Industrial Property Office is recruited from among candidates possessing a Cambridge Higher School Certificate together with a degree in either Law, Economics, Business Studies or a post graduate Diploma in Intellectual Property. The qualifications laid down in the existing scheme of service are being reviewed to reduce the post qualification experience required at managerial level from at least 10 years to at least five years.

### **Attorney-General's Office, Ministry of Justice and Human Rights**

#### *State Attorney*

Overall, during the last four financial years, the grade of State Attorney has registered a vacancy rate of 40%, i.e only four posts filled on an establishment of seven. One State Attorney left the State Law Office in financial year 2003-2004 for emigration and two left in financial year 2004-2005 – one emigrated and the other joined the private sector. It has not been possible to fill all the vacancies on account of the poor response received to public advertisements. In May 2005 and April 2007, three Attorneys were required but only one Attorney was recruited each time.

#### *State Counsel*

Since the publication of the 2003 PRB Report the post of State Counsel was advertised on three occasions and 20 appointments have been made so far. The majority of the new recruits at the time of appointment reckoned about one year standing at the Bar. Today, all the 36 posts on the establishment are filled and this has been the trend during the past four financial years.

However, it has been reported that the problem of retention of experienced State Counsels at the Attorney-General's Office is still very much alive. Since the last Report, there has been an exodus of talent – two Senior State Counsels have resigned : one has taken employment abroad and the other in the wider public sector where the prospects of remuneration are manifestly higher; two State Counsels who were to be promoted have also resigned to take up employment elsewhere – one in the private sector and the other in the wider public sector; four State Counsels who have spent at least three years at the Attorney-General's Office have resigned to take up employment in the wider public sector and abroad; and six State Counsels have joined the Magistracy.

For the year 2007 alone, the Attorney-General's Office has registered an exodus of five officers, and this in spite of the retention mechanism put in place. It has been argued that State Counsels with some years of service at the Attorney-General's Office become very marketable outside in view of the wealth of experience acquired.

### **Ministry of Civil Service and Administrative Reforms**

#### *Safety and Health Officer/Senior Safety and Health Officer*

The grade of Safety and Health Officer was created in the financial year 2005-2006 and out of 10 posts on the establishment of the Ministry of Civil Service and Administrative Reforms only two posts were filled. In the financial year 2006-2007, another three posts were filled, while one officer reverted to his substantive post of Health Inspector. It has not been possible to fill all the vacancies advertised since there were no candidates holding the Diploma in Occupational Health and Safety responding to the advertisement. It has been argued that the remuneration packages offered to Safety and Health Officers in the private sector, are far, more attractive than in the public sector.

As a temporary measure to remedy the situation, three Clerical Officer/Higher Clerical Officers who are following the Occupational Safety and Health course have been posted to the Unit to assist the Safety and Health Officers.

In accordance with Section 30(3) of the Occupational Safety and Health Act of 2005, the Civil Service with a workforce of 52,300 will require the services of some 26 Safety and Health Officers to ensure compliance with law.

### **Ministry of Labour, Industrial Relations and Employment**

#### *Occupational Safety and Health Inspector*

The Ministry of Labour, Industrial Relations and Employment has reported having similar problems as the MCSAR with the grade of Occupational Safety and Health Inspector. As at June 2007, the vacancy rate is of the order of 27% with 27 officers in post on an establishment of 37. However, of the 27 officers in posts, five have left for the private sector. To palliate the shortage, the Ministry, through delegation of powers from the Public Service Commission, has resorted to recruitment of 10 Inspectors on contract basis.

### **Ministry of Health and Quality of Life**

The Ministry of Health and Quality of Life has reported encountering difficulties to recruit suitable candidates for the grades of Specialist/Senior Specialist, Bio-Medical Engineer, Clinical Psychologist and Midwife Educator.

#### *Specialist/Senior Specialist*

Overall, the grade of Specialist/Senior Specialist has registered a vacancy rate of around 50%, 123 posts being vacant out of an establishment of 247 as at 30 June 2007. Difficulties have been encountered to fill vacancies in the grade of Specialist/Senior Specialist in practically all the disciplines, namely General Medicine, General Surgery, Obstetrics and Gynaecology, Paediatrics, Orthopaedics, Anaesthesia, Radiology, Pathology, Radiotherapy, Psychiatry, Ophthalmology, ENT, Dermatology, T.B. and Chest Diseases, Cardiology, Plastic and Reconstructive Surgery, Physical

Medicine, Neurosurgery and Endocrinology. The vacancy rate ranges from 27.2% to 100.0%. One Specialist/Senior Specialist (Paediatrics) out of 13 officers in post, one Specialist/Senior Specialist (Radiology) out of 10 officers in post and the only Specialist/Senior Specialist (Physical Medicine) in post resigned from the service during the financial year 2006-2007.

To palliate the shortage, the Ministry is having recourse to the following measures: (i) employment on contract basis/sessional basis of retired specialists as well as foreigners; (ii) Medical and Health Officers sponsored to follow specialist courses with the collaboration of the Mauritius Institute of Health and the University of Bordeaux; and (iii) other Medical and Health Officers granted scholarship to follow courses in India and China.

#### *Bio-Medical Engineer*

This is still a chronic scarcity area as the two posts on the establishment of the Ministry have remained vacant for several years due to lack of suitably qualified local candidates. In 2006-2007, the establishment size was increased from two to three and as at 30 June 2007 two officers (one Mauritian and one Indian) were employed on contract. However, the Indian Bio-Medical Engineer resigned in December 2007.

#### *Clinical Psychologist*

At 30 June 2007 the grade of Clinical Psychologist registered a vacancy rate of 80%, only one post being filled out of an establishment of five. The scheme of service of the grade has been reviewed in the light of recommendation contained in the 2003 PRB Report with the qualifications restructured to require the incumbent to possess a specialized post graduate degree in Clinical Psychology together with specialisation in the field of Applied Clinical Psychology. The scheme of service was prescribed on 8 November 2007 and the Public Service Commission has been requested to advertise the post.

#### *Midwife Educator*

All the four posts of Midwife Educator were vacant as at 30 June 2007 and this has been the trend for the last four financial years. To remedy the situation in the short term, the Ministry is having recourse to employment of retired Midwife Educators on sessional/contract basis. For the long term, foreign authorities have been approached to provide appropriate training to serving Nursing Officers.

### **Rodrigues Regional Assembly**

The Rodrigues Administration has reported recruitment and retention problems in respect of the following grades: Reporter, Arts Officer, Citizen's Advice Bureau Organiser, Director of Finance, Economist, Project Manager, Systems Analyst, Tourism Enforcement Officer, Tourism Planner, Library Officer, Sports Officer, Engineers in the field of Civil, Mechanical and Electrical Engineering, Architect, Quantity Surveyor,



Technical Officer (Mechanical), Bio-Medical Technician, Hospital Administrator and Veterinary Officer. To remedy the situation, various *ad hoc* measures have been taken – contract employment, schemes of service of certain grades amended, vacancies re-advertised, Mauritian officers posted on a tour of service, trainee grades created and Rodriguan candidates sponsored to follow appropriate courses.

## **PARASTATAL AND OTHER STATUTORY BODIES AND LOCAL AUTHORITIES**

### **Conservatoire de Musique François Mitterand Trust Fund**

#### *Music Tutor*

The grade of Music Tutor has registered a vacancy rate of 33.3% since 2004-2005 and music is still a scarcity area. However, the situation would gradually improve as the Conservatoire de Musique François Mitterand Trust Fund in collaboration with the Mauritius Institute of Education has started a Diploma Course in Music Teaching, which would service schools and the Conservatoire. The Conservatoire de Musique François Mitterand Trust Fund is also running degree courses for students taking Distance Education from UNISA and, at present, two students are enrolled for the courses.

It has been argued that most Music Teachers prefer to do multiple jobs – part-time in the afternoon at the Conservatoire, supply teachers during school hours, and hotel performance at night. It has also been suggested that, to improve the situation in the long term, there is need to improve the structure at the Conservatoire to offer better scope for promotion.

### **Mauritius Institute of Health**

#### *Training Officer*

The grade of Training Officer has registered a vacancy rate of 20%. Out of the five established posts, one post has remained vacant from 2004-2005 to date. Recruitment is made from among candidates possessing a Medical Degree and having proven teaching experience in the field of health. In 2003-2004, the selected candidate declined the offer and in March 2005 there were no qualified candidates who applied for the post in response to the advertisement.

### **Mauritius Museum Council**

#### *Museum Educator*

The grade of Museum Educator, which requires a Degree in either Biological Sciences, Zoology, Botany, Geology, Geography, Mauritian Studies, Museum Studies, History or Cultural Studies and a post-graduate qualification in Education or Museum Studies, has remained vacant so far as there is a shortage of candidates with the required profile. The only officer recruited in financial year 2004-2005 on an establishment of two left the

organisation in financial year 2005-2006 for emigration purposes. Attempt made in June 2006 to fill one post has not been successful as no suitable qualified candidates responded to the advertisement. The Mauritius Museum Council is in the process of amending the scheme of service to widen the field of recruitment.

### **State Trading Corporation**

#### *Risk Management Officer*

During the last two financial years, the grade of Risk Management Officer at the State Trading Corporation (STC) has registered a vacancy rate of 33.3%, one post being vacant out of three. The post was filled each time it was advertised but the officer left the organisation either to join the wider public sector or the private sector. They joined the organisation and left after having acquired experience in the field. The Management of the STC regarded the initial salary of Rs 16000 in the scale of Rs 16000 – 30000 as being insufficient to retain the officers.

### **Wastewater Management Authority**

#### *Process Engineer*

The one post of Process Engineer has remained vacant since 2003-2004 due to the unavailability of suitably qualified candidates locally or from India. So as to alleviate the problem of recruitment, the Authority has proposed to train its personnel in process engineering in-house by having recourse to foreign Process Engineers.

#### *Project Manager*

The grade of Project Manager has registered a vacancy rate of 66.7% since 2004-2005. Out of six established posts, only two are filled. To remedy the situation, overseas recruitment exercises were carried out in India, South Africa and United Kingdom. In India, no candidate was found suitable and in South Africa and the United Kingdom, there was no response to public advertisement. To resolve the problem, the Wastewater Management Authority is having recourse to assignment of duties of Project Manager to Senior and Principal Engineers of the organisation.

### **Local Authorities**

#### *Attorney*

#### *Safety and Health Officer/Senior Safety and Health Officer*

In the Local Authorities, both the grades of Attorney and Safety and Health Officer/Senior Safety and Health Officer have generally registered a vacancy rate of 100% during the past four financial years. In spite of repeated attempts, the Local Authorities have not been able to fill the posts of Attorney and Safety and Health Officer/Senior Safety and Health Officer. In order to alleviate the problem of recruitment, the Local Authorities have proposed to hire the services of an Attorney and a Safety and Health Officer on a part-time or contractual basis.

## **Supplementary Findings**

### *Technical Officer and Assistant Inspector of Works*

The survey has also revealed that for grades requiring a diploma or part thereof, e.g. Technical Officer, Assistant Inspector of Works, a high turnover rate is noted on account of the oversupply of overqualified candidates on the labour market. 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 degree holders to those possessing post graduate qualifications. The overqualified staff normally tend to leave after only a short period for better opportunity elsewhere.

On the other hand, certain organisations have reported encountering difficulties to fill vacancies in the grade of Assistant Inspector of Works as candidates with the required qualifications, i.e. the Cambridge School Certificate with credit in five subjects and the Ordinary Technician Diploma in Building and Civil Engineering or Brevet de Technician are no longer available on the market.

### *Clerical Officer/Higher Clerical Officer*

The MCSAR has reported retention problem in the grade of Clerical Officer/Higher Clerical Officer. During the period 2003-2004 to 2006-2007, the grade has registered a turnover rate ranging from 9% to 12%. One of the main reasons for the high turnover rate is that it is a source grade for recruitment to other posts in the Civil Service, e.g. Employment Officer, Companies Officer, Statistical Officer, etc. It is suggested that these grades be no longer restricted to incumbents in the grade of Clerical Officer/Higher Clerical Officers.

### *Nursing Officer*

At 30 June 2007, 2193 posts of Nursing Officer out of an establishment of 2439, were filled; and financial provision has been made for the enlistment of 150 Student Nurses in March 2008. Thirty six Nursing Officers resigned from the service in 2003-2004, 42 in 2004-2005, 20 in 2005-2006 and eight in 2006-2007. To tackle the problem of turnover, the Ministry is resorting to the payment of a retention allowance to Nursing Officers.

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## **5. PUBLIC SECTOR MANAGEMENT REFORMS**

- 5.1 The role of the State is changing and the Mauritian Civil Service is increasingly being called upon to be a proactive “Facilitator” and an “Agent of Social Change.” The key functions of the Civil Service in this competitive environment can be summarised as follows: developing creative and strategic policies; designing and delivering services directly or in partnership which meet the needs of the public; using public money efficiently - and these, while upholding the core respected values of integrity, impartiality, honesty and objectivity.
- 5.2 The reasons for reforms, besides the changing role of the State, include the scarcity of financial resources, the limited options available to the State to harness resources; higher expectations from citizens; and the impact of globalisation and that of Information and Communication Technologies.
- 5.3 The socio-economic reform agenda, on which the country has embarked, has ambitious aims, namely broadening the circle of opportunities; empowering the population to succeed in the new environment; securing social equity and justice; and upholding the principles of rules-based decision-making, transparency and good governance.
- 5.4 Against this background, Public Sector Management Reforms have to respond both to the changing role of the State and the need to facilitate and catalyse the broader national and sectoral reforms process engaged by the country. In the face of fundamental changes in development philosophy, the challenges are to make the Civil Service an entity which is continually evolving and renewing itself – keeping pace with the changes – while maintaining its values, sense of self-worth, identity and its ability to serve successive governments.
- 5.5 The Public Sector Management Reforms agenda, therefore aims, among other objectives, at integrating reform initiatives and activities into the heart of Public Sector business strategy and aligning them with the new demands of the State in order to take forward the modernisation programme and to outperform in productivity and responsiveness. In this regard, this review emphasises and recommends the changes that need to be brought on the different fronts to shape the direction in which the Public Sector should move in the medium and longer term.

### **Foreign Experience**

- 5.6 No doubt, most countries are exposed to the same or same type of challenges. Though different groups of countries are dealing with the issues differently, several of the reform measures cut across different countries. The Organisation for Economic Co-operation and Development (OECD) countries led the way with the introduction of New Public Management principles shifting the emphasis

from traditional public administration to public management pushing the Public Sector towards “managerialism” and a performance-oriented culture.

5.7 The New Zealand Government recognised that, as part of its Civil Service reform programme, the lines of accountability between the bureaucracy and the political executive needed to be clarified. The relationships between Ministers and Departmental Chief Executives were outlined. The ministerial role has been to set the policy agenda, determine priorities, specify designed outcomes and output levels, and then monitor the pertinent performance at the departmental level. The task of the Chief Executive has been to satisfy these requirements and to take responsibility for any shortcoming in quality or quantity of output. The experience showed that accountability in the Public Service can be enhanced by a tighter definition of tasks and accomplishments.

5.8 Nearer to us, our neighbours in Africa are implementing several measures in the context of the new public management initiatives. The Economic Commission of Africa on Public Sector Management Reforms recommended a series of measures for implementation depending on the situation. These recommendations, most of which are very pertinent for Mauritius, are given below:

- *Simplification/flattening of organisation structures to facilitate decision taking and improve accountability, and Pay Reforms with emphasis on results*
- *The adoption of Performance Management with a view to inculcating a performance culture in the Public Sector which is client-focused and results-oriented, constantly seeking ways to improve the delivery of public services*
- *A competency-based approach to training and development of public servants with a view to developing the capacity of public servants for improved service delivery and particularly to equip managers with the necessary skills and competencies to handle new responsibilities, develop skills for a customer oriented Civil Service, improve the standards of service delivery, and adapt to new technologies and new working techniques, methods and processes*
- *The need to train public servants and to educate users of services to change their attitude towards each other and towards the public*
- *Promotion of dialogue with Civil Society Organisations (CSO's) and Non Governmental Organisations (NGO's) to reduce mutual suspicion and enhance partnership in Public Service delivery*

- *Mechanisms for measuring and monitoring embedded in the reforms programme/projects at the early stage of their formulation and implementation*
- *The adoption of Good Governance for the introduction of good public management and administration, with emphasis on accountability and responsiveness to customer needs*
- *Enactment, improvement and enforcement of legal instruments, code of conduct and regulations that promote ethics and accountability*
- *The introduction of Customer Charters, User Surveys and the establishment of Public Complaints Commission*
- *Introduction of incentive measures focused on accelerating the return home of the vast majority of elite and scholars who are working abroad and to attract and motivate top professionals including those with scarce skills*
- *Improvement of public and private partnerships to enhance the transfer of competitive skills between the sectors*
- *Reporting to encourage transparency and the right to information*

### **Present Status of Public Sector Management Reforms**

- 5.9 The 2003 PRB Report made wide ranging recommendations in respect of administrative reforms. Implementation which expectedly was rather slow in the initial years has gathered momentum lately and is likely to be more structured in the coming years. Performance Management, already embraced by some 35 organisations, would be adopted by all Ministries/Departments by December 2009 considering implications for the large Ministries. Programme Based Budgeting in the context of the Medium Term Expenditure Framework has also been mainstreamed since last year. The synergy between the two initiatives, the first spearheaded by the Ministry of Civil Service and Administrative Reforms (MCSAR) and the latter by the Ministry of Finance and Economic Development (MOFED), is expected to gain momentum as we move in the years ahead. These two measures, properly implemented, should push the country on the forefront of developing countries embracing New Public Management.
- 5.10 The Audit Monitoring Committee under the aegis of the MOFED ensures the monitoring of recommendations of each Audit Committee established for Ministries and Departments. They should have already set up their Audit Committees which would significantly increase the integrity and efficiency of the system of internal control, financial reporting and the audit process.

- 5.11 Concurrently, to improve service delivery and customer responsiveness, counter services have been enhanced through the standardisation of criteria and procedures; the introduction of Gemba Kaizen principles; the enhancement of the physical layout of counters; the provision of uninterrupted service throughout the day; and the provision of several services online.
- 5.12 Ministries, Departments and Statutory Bodies (MDS) have all come up with their respective Citizen/Customer Charters undertaking to provide acceptable levels of services to their customers.
- 5.13 In addition, several organisations have been ISO Certified and a Public Service Quality Association has been created for regular Quality Meet. More and more organisations are annually participating in the Public Service Excellence Award.
- 5.14 Further, the MCSAR has developed and started a new reform initiative called “Mystery Shopping”. This initiative aims to give organisations insights into their operations with regard to customer-service related functions, identify both good practices and areas of weaknesses and use information gathered to take corrective measures to improve service delivery. Mystery Shoppers are briefed on the services that they have to assess, the purpose of the project and are provided with scenarios for roles that they have to play to gather information. The Mystery Shoppers walk in anonymously in the identified organisations and play the role of customers, collect the required data and fill in a questionnaire on the level of service. The overall information is analysed and thereafter presented in the form of a report to Management for necessary action.
- 5.15 The MCSAR eventually, under the Improvement of Counter and Customer Services Scheme, assists Ministries/Departments to attend to the weaknesses identified by providing financial support in improving, *inter alia*, the physical setting of counters and training of staff through the provision of customised practical training in counter services and customer care. The overall effectiveness of the remedial measures taken is, thereafter, assessed through “Exit Interviews” where actual real life customers having benefited from a service is called upon to evaluate the service in question as they walk out of the public organisations.

### **Socio-Economic and Other Reforms**

- 5.16 The 2006/2007 Budget has set the scene for making the transition from a preference-based economic development model to one-centered on global competitiveness. To this end, Government has launched a comprehensive package of reforms to remove rigidities in the markets.
- 5.17 MDS are implementing reform initiatives in fields falling under their responsibility. Steered by the MOFED and the MCSAR, Ministries and Departments are introducing the Programme Based Budgeting (PBB) cast in the Medium Term

Expenditure Framework (MTEF) and the Performance Management System (PMS) with a view to establishing a link between financial and human resources as well as outputs and outcomes. Both systems together are expected to produce the desired results.

- 5.18 The Ministry of Education and Human Resources has undertaken educational reform initiatives to meet its vision of providing a World Class Education; the Ministry of Health and Quality of Life is initiating actions to provide high-tech health treatment; the Ministry of Agro Industry and Fisheries aims at giving a new boost to the agricultural sector through the development of new business avenues and provision of new opportunities to the planting, farming, and fishing communities; the Ministry of Public Infrastructure, Land Transport and Shipping is fulfilling the needs of the nation in the design, construction, maintenance and repairs of roads, bridges and government buildings by ensuring the provision of functional, aesthetic and environment-friendly buildings in conformity with construction standards; the Ministry of Tourism and Leisure is targeting two million tourists by 2015, focusing on high-spending tourist segments and promoting Mauritius as the Best Island Destination; the Judicial Sector is in the process of implementing the Mackay Report for enhanced and swift delivery of justice; the Ministry of Environment and National Development Unit has embarked upon a series of projects and actions to create a safe and healthy environment; the Ministry of Housing and Lands is preparing a National Development Strategy for long term growth and physical development of the country; the Ministry of Information Technology and Telecommunications is striving to make Mauritius a Cyber Island and an ICT leader in the region; and the Ministry of Women's Rights, Child Development, Family Welfare and Consumer Protection is endeavouring to have a society free from violence and discrimination and where human values within the family and the civil society are cherished.
- 5.19 Reforms in different sectors of the economy, other than those mentioned above, have also been initiated to keep pace with developments in the ever-changing and evolving context of the New Public Management initiatives. Strategies in sectors like Arts and Culture; Social Security, National Solidarity and Senior Citizens Welfare & Reform Institutions; Industry, Small and Medium Enterprises, Commerce and Co-operatives; and Youth and Sports are being enunciated in this report under the chapters dealing with the different Ministries.
- 5.20 Overall, Public Sector Management Reforms also aim at supporting and sustaining the reforms initiatives undertaken by MDS at the sectoral levels.

### **The Challenges and Strategies**

- 5.21 At this stage, the challenges facing the Civil Service concern Organisational Development; Process and Systems Application; Human Resource Strategies; Pay Reforms; Customer Responsiveness; Good Governance and



E-Government Services. Evidently, service delivery, value for public money and performance on the frontiers of excellence are the common links which underpin the needs for continuous reforms in these areas. While some of the challenges can be dealt with administratively, a reinforcement of the legal framework may be necessary in certain areas. In sum, the main Public Sector challenges are the need to:

- (a) transform public sector organisations into modern, professional and citizen-friendly entities that are dedicated to the service of the people;
- (b) strengthen public confidence and trust in Public Sector Institutions;
- (c) preserve and protect the character of the Civil Service and its ability to serve successive governments with integrity and political impartiality;
- (d) facilitate and accelerate the process of more and more government services going online; and
- (e) induce the return home of our elite from abroad.

5.22 Appropriate strategies need to be crafted to respond to these main challenges. Given the civil service environment and the present organisation culture, the delivery on the strategies themselves has become serious challenges. The main strategies are to:

- (i) come up with the necessary legislation which would clarify the role and responsibility of Ministers as distinct from those of Supervising Officers;
- (ii) move from multilayered structures to flatter ones to improve accountability and facilitate decision taking while maintaining a balance between career prospects and career earnings;
- (iii) ensure that organisations are manned by the most suitable persons of the right competency so that the Public Sector is staffed with the right people in the right place and in right numbers through proper recruitment and selection criteria, and opening up at appropriate levels;
- (iv) provide for training and development to equip people with the right competencies and attitudes at different levels ;
- (v) link pay and incentive to performance and results and strike the right balance between professional commitments and family responsibilities for a motivated work force; and
- (vi) roll out PMS and PBB so that these take root for a value for public money service and excellence in service delivery.

### **The Way Forward**

5.23 We are commenting or facilitating the process to deal with these challenges and highlighting below the general directions.

- 5.24 While, on the one hand, it is important to strengthen confidence in MDS, and their capacity to deliver, on the other hand, it is the responsibility of MDS to create the right environmental conditions to gain confidence and trust through the leveraging of their actions on customer responsiveness and satisfaction as these are primary concerns and central to service delivery. For the Public Service to be responsive, it is imperative for its employees to possess the required competencies, attitudes and mindset to serve selflessly, courteously, effectively and these in a timely manner. To ensure these, it is essential for the right person to be recruited, provided with the appropriate training for service delivery and be adequately and justly rewarded.
- 5.25 As such, it is essential for schemes of service to be revisited to state explicitly the technical and behavioural competencies as well as the kinds of mindset and attitude required; and to equip the recruiting and other Bodies with the required expertise and tools to ensure that the appropriate candidates are selected.
- 5.26 Thereafter and during the career of officers, training and development should be based on the acquisition and improvement of the required competencies, mindset and attitude with a view to developing their capacity for a wider range of responsibilities including developing and implementing creative strategic policies and adapting to new technologies, working techniques, systems and processes - all these for higher and higher standards of delivery for a customer-centric Civil Service.
- 5.27 Pay is an important factor to be reckoned with for a competent and motivated workforce. The pay policy should aim to, among others, achieve equity implying fair relativities commensurate with responsibilities; protect purchasing power to the extent possible; be competitive considering market realities; be efficient by linking pay to productivity and performance; and ensure macro-economic stability with pay as a percentage of GDP kept within acceptable limits. A reward mechanism has to be introduced to link pay to results, and to motivate organisations to anticipate, embrace and implement changes.
- 5.28 While suitable persons with the required competencies and attitudes are *sine qua non* both for the formulation of strategies and for service delivery, the environment, and the systems and processes used must also be appropriate as they can contribute significantly to excellence. In that regard, organisations should be designed to be “fit for purpose” with clear lines of accountability and responsibility. For this reason, we strongly view that, in the medium term, organisations should move to flatter structures to avoid responsibility being blurred. This strategy for trade off of multilayers for fewer levels with longer pay scales has merit for all parties - the service itself, employees as well as management.

- 5.29 In general, wherever desirable, silos need to be dismantled and other cadres/grades be restructured by polyvalent ones to facilitate team working, mobility, transferability, interchangeability and greater flexibility to ensure that available resources are gainfully utilised.
- 5.30 The concept of multi-skilling has to be introduced in certain areas. Polyvalent grades need be created to allow employees/officers to perform a wide set of duties, wherever desirable and possible.
- 5.31 As a further motivating element, existing policies need to be revisited to allow the introduction of new patterns of work like homeworking and part-time working; choices/options need be provided to employees in terms of certain conditions of service like duty free car or allowance in lieu thereof.
- 5.32 The Performance Management System and Programme Based Budgeting need to be further mainstreamed so that both reinforce and support each other with their common focus on improving performance, transparency, accountability and the efficient achievement of planned results.
- 5.33 To preserve and protect the character of the Civil Service and its ability to serve successive Governments with integrity and impartiality, it would be advisable for Government to come up with a Public Service Act that would aim at clarifying and securing the boundaries within the Executive and enhance and entrench the fundamental values of the Public Service. A Public Service Act can bring further clarity of definition and would reinforce transparency, impartiality and accountability which are necessary for the efficient delivery of sound public services and for sustaining trust in public institutions. The Bureau is aware that discussions are underway on the contents of the first draft of the Public Service Bill.
- 5.34 To reinforce public confidence and trust in public sector institutions, including the Public Service Commission, Government is establishing a Public Bodies Appeal Tribunal to allow aggrieved employees to make appeals; and to take measures to encourage transparency and the right to information. It is also envisaged to set up an independent Police Complaints Commission. To further increase public trust, a system needs be designed to ensure strict compliance with process by recruiting Bodies.
- 5.35 Monitoring and evaluation need to be integrated in the reform process to ensure that organisations do meet new circumstances and challenges and in that regard, the dearth of capability has to be bridged to achieve the goals spelt out.
- 5.36 Chief Executives of MDS need to be further empowered in the context of the New Public Sector Management initiatives.

## **Conclusions**

5.37 We have set the directions to deal with the challenges facing the Civil Service and the strategies to respond to these challenges in the foregoing paragraphs as well as in the relevant sections and chapters of this Report. We believe that the new corporate culture and eventual change in mindset that would emerge in the wake of the reform process should judiciously transform bureaucratic impediments for clearer accountability, constant change and improvement and for services to be provided effectively with competency, commitment, courtesy, speed and integrity. We are, hereunder, making recommendations to reinforce the institutional machinery to catalyse the reform process and highlighting those recommendations on customer responsiveness and other recommendations that are not being dealt with elsewhere in this Report.

## **Recommendation 1**

**5.38 We recommend the maintenance of the Public Sector Reforms Steering Committee (PSRSC) under the chairmanship of the Secretary to Cabinet and Head of the Civil Service and comprising, among others, Senior Public Officers and such representatives of Staff Associations as may be co-opted and having the desired attitude and mindset, with the following modified terms of reference:**

- (i) To be the apex body responsible for steering, monitoring and coordinating reform initiatives in the Public Sector.**
- (ii) To spearhead reform strategies for the modernisation of the Public Sector with emphasis on the use of new technologies and optimum utilisation of human resources through sound industrial relations and social dialogue.**
- (iii) To establish mechanisms to sustain and evaluate reform initiatives, both through internal assessments and through feedback from customers.**
- (iv) To rationalise and streamline activities within and among public sector organisations with a view to improving quality of services and ensuring greater accountability and transparency.**
- (v) To adopt and monitor measures aimed at strengthening capacity for responsive and results-oriented public management so as to efficiently and effectively meet national and global challenges.**
- (vi) To promote ethical standards and public service values as embodied in the “Code of Ethics for Public Officers”.**
- (vii) To nurture an attitude of service excellence in meeting the needs of the public with high standards of quality, courtesy and responsiveness.**

- (viii) To foster an environment which induces and welcomes continuous change for greater efficiency and effectiveness.
- (ix) To advise Government on issues of public importance e.g. institutional machinery to improve public trust or the types of desirable competencies that members of Recruiting Bodies or Board Directors need to possess.

**Recommendation 2**

**5.39** We also recommend that the PSRSC initiates action for vast consultations and for receiving stakeholders' input on issues of public importance and takes action to create the desired trust and confidence in our institutions and systems.

**Recommendation 3**

**5.40** We recommend that the MCSAR should continue to (a) spearhead, implement and monitor reform initiatives approved by the PSRSC and programmes targeting customer satisfaction and desirable employee behaviour; and (b) implement the "Mystery Shopping" Project in selected organisations and encourage other organisations to emulate this new reform initiative.

**Recommendation 4**

- 5.41** We recommend the setting up of an Implementing and Monitoring Committee under the chairmanship of the MCSAR and comprising, among others, selected members and Desk Officers conversant with reform practices to:
- (i) ensure the implementation of New Public Sector Management Reforms and the sustainability of reforms already undertaken;
  - (ii) facilitate and ensure the implementation of reform initiatives approved by the authorities;
  - (iii) monitor and evaluate the reform initiatives and tender advice on corrective actions; and
  - (iv) act as a liaison/desk between Ministries/Departments and PSRSC.

**Recommendation 5**

- 5.42** We recommend that Ministries, Departments and Statutory Bodies should:
- (i) strengthen confidence in their organisations and create the right environmental conditions to earn citizens' trust through leveraging their actions on customer responsiveness and satisfaction;

- (ii) facilitate knowledge acquisition, through the application of information technology and information/education/communication, of their respective activities and invite regular feedbacks from citizens to shape their strategies and actions;
- (iii) make arrangements for the provision of uninterrupted Counter Services having regard to the drivers and determinants of customer satisfaction, namely: (a) timeliness in the provision of services; (b) competency of staff in delivery; (c) effectiveness of services delivered; (d) fairness during process; and (e) courteousness while going the extra mile;
- (iv) in order to sustain the momentum of reforms, review their own Reforms Units and ensure that Desk Officers coordinating reform initiatives between the MCSAR and their organisations are provided with necessary support from top management and other colleagues for the timely implementation and follow-up of the different reform initiatives;
- (v) establish mechanisms to sustain and evaluate reform initiatives that are being implemented while ensuring that (a) the participation and involvement of all stakeholders are sought; (b) funds are made available for the initiatives; and (c) regular assessments are carried out and the outcome of assessments and proposed corrective measures are reported to the Implementing and Monitoring Committee, as and when required; and
- (vi) carry out surveys to assess client satisfaction under each of the main drivers of satisfaction at (iii) above and use the information obtained to channel service improvement strategies.

**Recommendation 6**

**5.43** We further recommend that all public sector employees should (a) internalise the values associated with each of the determinants of satisfaction at paragraph 5.42 (iii) and adopt the desirable behaviours required; (b) do the utmost to be knowledgeable and competent at the level they are employed; (c) be courteous and prepared to go the extra mile in their interaction with their customers – be they colleagues, external clients, supervisors or subordinates; (d) carry out a self audit regularly on their achievement under each of the drivers of satisfaction; and (e) make every effort possible to excel on each of the drivers to delight all stakeholders concerned, be they internal or external.

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## **6. EMPOWERING CHIEF EXECUTIVES AND INSTITUTIONS**

- 6.1 As mentioned in the previous chapter, the Public Sector Management Reforms agenda aims, among others, at integrating reform initiatives and activities into the heart of public sector business strategy and aligning them with the new demands of the State in order to take forward the modernisation programme and to outperform in productivity and responsiveness. The Organisation for Economic Co-operation and Development (OECD) countries led the way with the introduction of New Public Management principles shifting the emphasis from traditional public administration to public management pushing the Public Sector towards “managerialism” and a performance-oriented culture.
- 6.2 We have, today, become closer to the heart of reforms through the introduction of Performance Management and Programme Based Budgeting. Performance Management System (PMS) has been introduced in a number of departments and action is underway for its extension to all Ministries and Departments. Programme Based Budgeting (PBB) has also been introduced within a Medium Term Expenditure Framework (MTEF).
- 6.3 With these new systems in place, Supervising Officers of Ministries/ Departments would be required to assume greater ownership of programme goals, i.e managers should have the ability and authority to manage for required results and should be accountable for the achievement – or otherwise – of those results. However, while the foregoing responsibility is immense, yet, it is argued that, the means given to CEOs to deliver on and bring to fruition their mandate and/or to successfully fulfil their different portfolios are limited in several ways. Many features of current Human Resource Management arrangements are incompatible with the new public management initiatives both PBB and PMS. Under current arrangements, external agencies rather than the managers of Ministries and Departments have more control on such aspects of the public service as recruitment, promotion, organisational structure, job classification and grading, pay rates, and other employment conditions. Power over appointments and the application of personnel rules are heavily centralised, with little authority over HR matters delegated to the Chief Executives. Moreover, as the Public Service provides protected employment with weak accountability for results and has become tolerant of indifferent performers, the CEO cannot effectively discipline non-performers nor reward good performers. Running a department along performance lines is difficult unless the Responsible Officers are empowered over time.
- 6.4 Mike Stevens, Consultant, World Bank, in his Report “Mission to Mauritius, April 2007”, argued that “Countries which have moved down the performance management road have done so partly by changing the balance between the civil service commission, the civil service ministry, and line ministries, departments and agencies. Likewise, civil service ministries (or Offices of Head

of Civil Service) have delegated personnel management, within centrally set rules, guidelines and principles, to line Ministries”.

- 6.5 In that context, some actions in that direction have been taken to devolve power from the centre to line Ministries and Departments. The Ministry of Civil Service and Administrative Reforms has devolved on Supervising Officers of Ministries/ Departments a number of areas of Human Resource Management with a view to enabling them to manage their human resources effectively and efficiently and effectively. These include the approval of the payment of overtime allowance; approval of leave without pay for private purposes up to 90 days; approval of study leave without pay in respect of officers of the Departmental Grades; and administrative arrangements for the assignment of duties to officers of General Services Grades.
- 6.6 In addition, the Public Service Commission has, on its part, delegated to Responsible Officers the power to:
- (i) make acting appointment/assignment of duties for a period of up to 120 days in respect of their Ministries/ Departments;
  - (ii) appoint in a substantive capacity, confirmed public officers who, after a selection exercise following advertisement to the general public, have been appointed to another post on a temporary basis for a period of six months; and
  - (iii) appoint employees belonging to the Workmen’s Group.
- 6.7 The existing administrative system has to be further transformed to leverage better public value to improve service delivery and increase effectiveness and responsiveness. There should be decentralisation and delegation of powers with clear accountability at each level of delivery combined with flatter management structures so that responsibility is pushed down to the operational level. In dealing with the big battalions like the Ministry of Health and Quality of Life, and the Ministry of Education and Human Resources, countries which have reformed their civil service tend to treat these services as different, and seek to move away to more decentralised structures, boards, trusts etc, to locate management authority and responsibility closer to the points of service delivery. A reduction in the existing bureaucratic processes with simplification of procedures and process re-engineering to allow effective service delivery, is vital.
- 6.8 In this Report, we have recommended several measures to ensure the attainment of the above goals. These include changes in the organisation and pay structures to reduce layers and hierarchy in Government; linking pay and incentive to performance and results; introducing the concept of multi-skilling and polyvalent grades to increase the operational efficiency of employees; and proposing that the Public Service Commission considers the advisability of



delegating more recruitment responsibilities down the line but within parameters approved by the Commission.

- 6.9 We have also incorporated systemic changes to empower Responsible Officers to examine and tackle persistent cases of recruitment and retention problems in highly critical areas; to enforce bonds subscribed by trainees; to recruit staff on a month-to-month basis or for shorter periods or on assignment basis to suit the operational requirements of their organisations; and to conduct appropriate work related tests/assignments before recommending to the Public Service Commission the confirmation of any public officer in his office.
- 6.10 Supervising Officers of Ministries/Departments have also been devolved with authority to allow certain categories of officers to work from home on certain assignments where demand exists and resources permit; to enlist the services of part-time employees in designated grades, to consider purchase of services under the Central Procurement Act; and to grant free communication facilities to public officers. A distinct recommendation has also been made authorising the Supervising Officer of the Ministry of Foreign Affairs, International Trade and Cooperation to revise the ceiling of the rent and utilities of diplomatic staff, subject to a maximum of 10% to deal with urgent cases.
- 6.11 All these changes are geared towards ensuring an effective administration which is responsive to the needs of end consumers. Establishing more delegation with accountability in the decision-making process has, therefore, been one of the main thrust areas recommended by the Bureau. Under the PBB, Ministries and Departments would be given further freedom to manage budgets for performance, but accompanied by stronger reporting and accountability disciplines. The way forward is to move further in that direction.

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## 7. PAY CONSIDERATIONS AND STRATEGY

- 7.1 The challenge of this review is to simultaneously redress the weaknesses of the present pay system, address the human resource requirements of the day, come up with a pay system and levels that are internally aligned and externally competitive with means that the country can afford and are acceptable in this environment of high expectations. In this chapter, we analyse the salient features of the existing pay structures, their appropriateness and weaknesses in terms of, *inter alia*, their internal alignment and external competitiveness, highlight the major considerations - including the economic factors, foreign experience and representations received, and formulate our strategies for pay determination.

### External Relativities and Market Realities

- 7.2 In the process of determining public sector pay, it is essential to make an assessment of the general climate of pay in the country and to take account of market realities to ensure the external competitiveness of the pay structures. To that end, a survey on remuneration in the private sector and public enterprises not reported upon by the Bureau was carried out in collaboration with the Central Statistics Office. The survey has revealed that there exists no formally established link in pay between the public sector and the private sector though broad comparisons are often made by both groups in different forums. It confirms that the salaries paid to public sector employees differ considerably from those paid to their private sector counterparts for the same job.
- 7.3 At the upper echelon, the pay of employees in the private sector leads pay of corresponding or comparable positions in the public sector by far. There are also wide gaps in the benefits and other perks that are provided. At the middle management levels, though graduates and professionals in the private sector, at the initial stage of their career, may draw lower salaries than their counterparts in the public sector, however, after a few years of experience, their absolute levels of pay generally catch up with and exceed pay levels in the public sector.
- 7.4 On the other hand, at the lower level, the public sector has generally a pay lead over the private sector. The lead is more pronounced when comparison is made with minimum wages set by the National Remuneration Board (NRB) as these are determined on an industry-by-industry and occupation-by-occupation basis and, in principle, benchmarked on the survival of the least economic firm. The lead, however, narrows when comparison is made with pay in the inter-quartile range of the private sector.

## Foreign Experience

- 7.5 Research indicates that the situation in the Mauritian Civil Service has been fairly prevalent in several Commonwealth countries though indications are that this is rapidly changing. In Singapore, for instance, salaries in Government have been benchmarked on the salaries in the private sector. In the United Kingdom (UK), the Government considers that Senior Civil Service (SCS) pay is 'market-facing' i.e. competitive to the extent that pay is not a barrier to recruitment and puts greater weight on public rather than private sector comparators, arguing that it is the nature of the job and not remuneration which attracts private sector candidates to seek SCS jobs. In India, according to the fifth Central Pay Commission Report, public sector salaries are pegged *"at a level lower than the private sector, so as to encourage only public-spirited persons to choose Government service as a career"*.

## Representations

- 7.6 Strong arguments have been put in favour of a living wage by the staff side for an acceptable living standard without having to undertake more than one job. The argument rests on the premise that government, as a model employer, should be a pacesetter on grounds of social policy. On the other hand, certain officials argue that there are serious imbalances in the pay at the lower level between the public sector and the private sector, with the result that there is a relative oversupply of job seekers in the public sector, attracted by the higher pay for low-skill jobs when compared to the private sector. These officials consider it paradoxical that, while a new course has been charted to promote employment elsewhere outside the public sector, these imbalances in pay may exert still greater pressure for job opportunities in the public sector. On the other hand, strong arguments are put forward for large pay increases for professionals and for the higher echelon, based on comparators elsewhere.
- 7.7 Though we concur with the UK approach that Civil Service pay ranges are market facing and competitive to the extent that they are not a barrier to recruitment, we hold the view that some relative parities between public sector and private sector pay, need to be established though we do not accept the plea for a complete parity. There is definitely no case to align the remuneration system prevailing in the private sector in its entirety with the public sector as there are vital differences between the two sectors. Security of tenure of office in the public sector is a distinct advantage compared to the private sector. Similarly, unlike the public sector, profitability consideration in the private sector continues to be the prime driving force and is evidently a strong determinant for higher remuneration. Moreover, employees' compensation (pay and perks) in the private sector remains within a non-transparent and opaque setting.

7.8 *It, therefore, makes economic sense to partly bridge the gap where the private sector leads and allowing the private sector to further catch up at levels where public sector pay exceeds market rates. Caution should, however, be exercised as regards the extent to which these gaps should be bridged, both from the perspective of acceptability and affordability.*

### **Equitable Internal Relativities Based on Job Evaluation**

7.9 For effectiveness, the public sector pay structures have also to be appropriately aligned internally. Internal alignment, often called internal equity, refers to the pay relationships among different jobs/skills/competencies within the public sector.

7.10 Internal alignment is established through a sequence of techniques of job evaluation that starts with the analysis of the work done and the skills/competencies required to do it. A structure is considered aligned if it supports the organisation strategy, fits the work flow, is fair to employees, and motivates their behaviour towards organisation objectives.

7.11 Moreover, 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.

7.12 Though the pay structures put in place in 2003 were 'felt fair' based on job evaluation, it has now been reported that, in a few areas, the narrow differentials between the grades in the hierarchies have had an adverse effect on the motivation of employees for promotional positions. *While we hold the view that job evaluation should continue to be used to determine the relative worth of jobs, we are conscious of the fact that the size of differentials at certain levels needs to be revisited.*

### **Compression of Pay Differentials – A Weakness of the Present Salary Ratio**

7.13 The compression of pay differentials, i.e. too little difference in salary between levels due mainly to the initial salary ratio set and the policy of tapering increases for cost of living compensation adopted over the years has also been damaging to the public sector as adequate differential is not only a recognition of and a reward for increased responsibilities, but is also a major incentive for promotion. A gradual reduction of pay differentials is viewed as a systematic devaluation of the worth of a job with de-motivational effect on the employee. The pre-tax Permanent Secretary/General Worker ratio, which was set at 7.4:1 in 2003, has dropped to 6.6:1 today. The post-tax ratio, which works out to 7.3:1 in 2003, stands at 6.2:1 in 2008. Such a ratio is considered low by international standards.

7.14 *In view of the importance of the size of differentials required for effectiveness and the number of levels required for operational delivery, the ratio between the entry level in the internal pay structure and the highest level should be sufficiently large to enable the design of an internally aligned and equitable pay structure.*

### **Career Path Differentials – Another Weakness of the Present Salary Ratio**

7.15 Career path differentials represent pay differences available for promotion from one level in the structure to the next. Promotion is one of the most effective methods of rewarding good performance and is accompanied by a minimum salary increase, reported as being in the 8% to 12% range internationally. In the UK, the Senior Civil Service (SCS) operates a system whereby a civil servant receives an increase of at least 10% on promotion and it is believed that increases of that order are usual at senior levels in other sectors.

7.16 In the existing pay structure, promotion from one grade to another is generally marked by an increase in salary equivalent to three increments, subject to the maximum salary of the promotional grade. However, in certain instances, given the excessive number of levels in the hierarchy, the increase is limited to only two increments. In such cases, the increase, in the existing salary structure, is around 6% only. There have been a number of representations about the small increases in remuneration on promotion as many officers consider that the pay increases from one grade to another do not appropriately recognise the increase in job weight and span of control. They argue that there should be a significant increase in base pay on promotion from one rank to another to reflect the substantial increase in responsibility.

7.17 *We concur that the issue of pay on promotion is one of motivational concern and should be addressed.*

### **Annual Increment and Performance Related Reward**

7.18 The annual increments in pay scales provide managers the opportunity to recognise and reward individual performance and also meet employees' expectations that, if they perform well, their pay will increase over time. Hence, the notion that increments have to be earned. However, there is virtually no evidence to indicate to what extent this notion has really been enforced. The grant of yearly increment has become almost automatic.

7.19 Rewards linked to performance were recommended in the 2003 PRB Report on the basis that a Performance Management Scheme would become operational. However, as the scheme has not yet been put in place across the Public Service, it has not been possible to implement the recommendation in respect of performance related pay. The result, today, is that the reward granted to both poor performers and high performers is the same.

- 7.20 There is, therefore, some dissatisfaction and demotivation among high performing employees as their commitment and outstanding performance are not being adequately recognised and rewarded. Officers irrespective of performance get the same treatment in terms of pay and in several instances promotion.
- 7.21 *A reward system that recognises team and individual employees, who make truly extraordinary contributions well beyond the call of duty and participate in the implementation of new ideas/projects, would motivate and spur employees to greater and more significant contributions. However, care needs to be taken to ensure that team spirit is not jeopardised in the process.*

### **The Total Remuneration Package in the Mauritian Public Service**

- 7.22 As highlighted in the 2003 PRB Report, the present reward system in the public sector comprises a basic pay (determined through job evaluation) and other financial and non-financial rewards.
- 7.23 There is the tendency among employees, while effecting external comparison, to take account of only the basic pay. This is totally incorrect. A more pertinent comparison would be the total remuneration package including pay and other benefits such as leave, overseas travel, duty remission on cars and various other allowances.
- 7.24 Moreover, public sector employees have a highly secured tenure of employment and generally hold positions in a career structure with the possibility of climbing the hierarchical ladder on satisfying established criteria. Possibility of upward lateral movement and capacity building also exists.
- 7.25 All the above mentioned elements form the total remuneration package of the public service employee, and need be considered in a major salary review.
- 7.26 For this review, a strong case has been made for the trade-off of part of the benefits for a better and cleaner pay, nearer to market realities. *However, we hold the view that both affordability and social acceptability considerations set limits on the extent of trade-off of part of benefits for a cleaner pay.*

### **Pertinent Organisational Issues**

- 7.27 Other current personnel and organisational issues identified as being increasingly problematic or relevant to efficient public sector management and which again need consideration in this review include recruitment, turnover and retention, and the high cost of acquisition of certain skills.

*Recruitment and Retention of Skills in Short Supply*

- 7.28 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 suitably qualified candidates particularly in the fields of science and technology e.g. medical specialists in certain domains as the costs of acquisition of such skills are exorbitant, not to say prohibitive; (b) the comparatively better pay packages offered or opportunities for higher earnings in respect of certain skills in the private sector; (c) the international demand for certain locally trained staff e.g. in the paramedical fields; (d) the opening of the market for certain skills that has led some of the more talented people to move to other countries thus leaving gaps at the domestic level; and (e) the high turnover rates of overqualified recruits.
- 7.29 As a result, certain areas are facing recruitment problems and/or high turnover rates. These issues are dealt with more elaborately at **Chapter 4 on “Recruitment and Retention in the Public Sector”**.

*Costs of Acquisition of Qualifications, Skills and Competencies*

- 7.30 The costs involved in the acquisition of qualifications, skills and competencies continue to be a pertinent issue. The inputs required and the sacrifices involved in getting through an examination, in learning a trade and in acquiring a professional qualification or a competency 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.
- 7.31 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 e.g. Architecture, Quantity Surveying, Medical Specialities, Marine Engineering still require formal overseas study and training at very high costs. The inputs involved for acquiring professional qualifications abroad are significant.
- 7.32 *We consider that the aspiration of individuals for their remuneration to be seen as a fair return for their investment on study and training or for their skill and competency is very legitimate, and this has been taken into account.*

**Pertinent Issues on Conditions of Service**

- 7.33 In line with Government policy and to induce desirable behaviour in the context of fundamental reforms being undertaken, certain conditions of service e.g. pensions and duty free facilities are being restructured. Any current provisions that have been foregone have been quantified and taken into account in arriving at the salaries recommended for the different grades.

## Other Considerations

### *Emphasis on Science and Technology*

- 7.34 There are still imbalances in the stock of skills, with a mismatch between educational qualifications and the needs of the economy. Today, more and more students are taking non-science subjects for higher studies. Consequently, in certain fields of advanced science, 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 of supply as for years the majority of students have not been opting for science subjects at secondary level. Aware of this mismatch, Government has undertaken a comprehensive review of the curriculum at primary and secondary levels in the light of developments world-wide and our national needs. *A major boost at all levels is being given to the teaching of science and technology so that Mauritians can participate fully in a knowledge-based economy and in research and development programmes in the agro-industrial, pharmaceutical and other sectors.* In that context, there is a case for a reward strategy to improve the prospects of advanced scientific positions both in terms of career and earnings.

### *Compensation for Erosion of Purchasing Power*

- 7.35 Tapering increases are granted annually for compensation in the rise of cost of living. As a result of such increases, the loss in purchasing power has been more acute for officers in the higher pay brackets than for those in the lower pay brackets.
- 7.36 The erosion of purchasing power, as measured by the difference between the cumulative rate of inflation and the cumulative rate of compensation, is estimated to reach more than 30% by June 2008. However, as the compensation for rise in cost of living is not granted at a uniform rate across the board, the loss of purchasing power would be around 20% at the lower level and progressively higher to reach nearly 39% at the top of the echelon.
- 7.37 *Given the levels of pay in general in the public sector, it is considered fair and reasonable that this loss should, subject to availability of funds, commensurate productivity and market realities be restored to the extent possible in the medium term. The loss of purchasing power for the period July 2003 to June 2008 has, therefore, been a major consideration in this review.*

### *Need or Otherwise for Some Devolution*

- 7.38 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 to Chief Executives nor is there flexibility in its 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 has even disturbed the industrial climate. *There is need, therefore, to exercise caution in treading on the path of pay devolution.*

*Unions' Claims*

- 7.39 We have also, in the context of this review, examined the claims of the unions. The salient ones are highlighted hereunder.
- 7.40 The unions have asked for a living wage for the General Worker to enable only one wage earner to cater for all his family needs without having to engage in a second occupation, a general increase in pay levels and related allowances and improvement in conditions of employment. In general, the Federations of Unions would wish for maintenance of narrow differentials, while simultaneously claiming large pay increases for the professionals and senior civil servants – an impossible task!
- 7.41 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 1:7.4 between the top salary of the General Worker and the Permanent Secretary be reviewed to 1:12. The Mauritius Magistrates' Association, has on its part, submitted that the salary of its members be increased significantly to a level which is equal to what they could earn in the private sector or certain institutions in the wider public sector to avoid further depletion within the service and shortage of Judicial Officers. The Medical Officers' Unions and the Government Medical Consultants' Association have made a plea for increases ranging between 50% and 100%. Professionals, in general, have made a plea for alignment on the market.
- 7.42 The grant of all the requests of the unions would cost the exchequer several billion rupees and 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.

**Conclusions**

*Reward Principles*

- 7.43 Against this background, the underlying principles overriding the pay review have been to:
- link pay with economic performance and productivity to the extent possible while ensuring acceptability and affordability

- establish evaluated relativities anew that will, where desirable, reflect market realities in the pay structure and reduce pay compression in the public sector
- set pay at levels to facilitate the recruitment, retention and motivation of staff with the required attributes, competencies and attitudes while at the same time targeting scarce skills and attracting new talents and inducing the return home of our elites from abroad
- promote the continual employability and upgrading of personnel through appropriate training and development programmes
- facilitate organisations in achieving their mandates and in service delivery with excellence through revised strategies and reforms

*Reward Strategy*

7.44 The reward strategy has, therefore, been crafted to guarantee the following:

- (a) public sector compensation as a share of GDP is kept within the range of acceptability and affordability, say, 7 to 7.5%;
- (b) compensation for erosion of purchasing power for the period between July 2003 to June 2008 effected over a period of, say, two years;
- (c) trade off of the non-contributory pension scheme and some related rights concerning retirement age for a higher pay;
- (d) the gap between public sector and private sector pay, where the latter sector has a significant lead, be partially bridged to facilitate recruitment and retention of required talents;
- (e) downward extension of certain existing salary scales to match market rates thus reducing future recruitment costs while not affecting employees in post;
- (f) provision of the possibility to reward excellence in performance through results based and performance related schemes for organisations that would have successfully implemented Performance Management, Programme Based Budget or ISO Standards; and for individuals who would perform well beyond the call of duty; and
- (g) provision of an element of flexible pay and perks to cater for areas facing problems of a temporary nature, e.g. shortage of certain talents.

7.45 In short, to respond to the different challenges, we are, in this Report, decompressing the pay structures; re-determining the relative worth of jobs based on new qualifications, skills, competencies and job content; increasing the size of differentials; allowing the private sector to narrow the gaps at the lower

levels; bridging the gap with the private sector to a desirable extent at levels where public sector pay is not competitive; compensating for erosion of purchasing power to the extent possible; and coming up with a pay system and levels that are internally aligned and externally competitive.

- 7.46 In reviewing the reward system, an Integrated Reward Strategy has been adopted as employee benefits (including pay, bonuses, and other conditions of service) are looked at from a total reward angle. Provision has been made for some form of Performance Based Pay for implementation at a future date but for immediate implementation for organisations that are ready. As for the last review, 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.

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## 8. REVIEW OF ORGANISATION STRUCTURES

- 8.1 Review of Organisation Structures is a key strategy in improving efficiency of Government Institutions. A Pay Review to be meaningful must necessarily start with a revisit of the existing structures to bring about the required changes to ensure that they continue to be aligned and responsive to the organisation's mission, vision and strategic objectives.
- 8.2 An organisation structure defines how tasks are formally organised i.e. distributed, grouped and coordinated. It refers to the relatively stable and formal network of interconnections among jobs that constitute the structure and depicts the overall shape of the entity – its layers and spans of control. It is typically displayed via organisational charts that convey both vertical reporting relationships and horizontal functional responsibilities.
- 8.3 Activities of public sector organisations are primarily organised into functional departments/divisions. An ideal organisation structure in the given circumstances would normally be one which:
- (i) **is designed to achieve the objectives of the organisations;**
  - (ii) **encourages people to understand their roles and the processes needed to achieve results;**
  - (iii) **has adequate scope for incumbents to perform with clarity their tasks and responsibilities;**
  - (iv) **groups related activities to function efficiently;**
  - (v) **enables the flow of information and coordination of activities at all levels; and**
  - (vi) **minimises the reporting levels to facilitate decision taking.**
- 8.4 For a newly created institution, organisation design is equally of vital importance as it aims at producing a logical, coherent, cohesive yet flexible structure to facilitate the achievement of the organisation's objective. Focus is on the building of the 'ideal' structure where work is divided into manageable units with each position having clear roles and responsibilities. On the other hand, in the redesign process of an existing organisation structure, there is need to reconcile ideal requirements with practical realities and accommodate resources in place while taking into account the organisation's mission and goals, and the customers' needs.
- 8.5 In the 2003 PRB Report, the Bureau advocated flatter structures as a matter of policy for more effectiveness and improved performance. Structures were streamlined and levels merged, where appropriate while certain specialised units were created only for meeting functional requirements and ensuring

organisational effectiveness. However, certain multilayered structures were deliberately left unaltered as they were found effective for operational requirements and matching with the particular needs and situations.

- 8.6 The Bureau further recommended a framework for organisation design to ensure that organisations are structured in a systematic manner for effective service delivery. In the same breath, guidelines for the creation of grades were recommended as well as a Standing Committee on Organisation Design set up to, *inter alia*, advise on organisational structuring in the Public Sector.
- 8.7 As from 2003, adjustments have been made by some organisations to redefine their structures. While in several cases, grades were created on the basis of operational needs, there are also instances where, under the cover of restructuring, additional levels have been created resulting in major overlapping of responsibilities and accountabilities, thus affecting service delivery. As a result, concern has been expressed about sections of organisations becoming inefficient due to deficiencies in the organisational set ups. Chief Executives have also reported cases where officers of different cadres are reluctant to work in team with peers of other disciplines. This prevents the constitution of multidisciplinary teams, impedes the process thus causing delay in service delivery.
- 8.8 Though, in certain instances, we have provided for new grades/standard structures, the implementation should be done in a gradual manner based solely on needs and operational requirements, subject to availability of funds.
- 8.9 Further, the introduction of Performance Management has the merit of revealing excess hierarchies, wherever they exist. It dictates the need to clarify who is the real team leader accountable for a team or unit and what is the contribution of each team member in terms of his accomplishments. These become extremely difficult when overlapping exists.
- 8.10 We, therefore, consider that there is a very strong case to re-examine all hierarchies thoroughly, do away with overlapping functions, diminish the number of levels, provide for polyvalent grades, eliminate silos, clarify role/responsibility and come up with fit-for-purpose structures. The exercise has the advantage of trading off multilayers for longer salary scales so that absence of career prospects are compensated through improvement of career earnings. We have, in this Report, gone a long way in this direction particularly where parties have expressed their understanding and agreement. We hold the view that this is the way forward and we are recommending accordingly.**

## IT and Organisation Structure

8.11 Information Technology (IT) is revolutionising the way activities are being organised and carried out in certain organisations. As a result, these IT supported organisations are embracing a new work culture or new pattern of work. We are, in this Report, addressing those structures where fundamental changes are occurring. In future, there would be need to again revisit organisation structures wherever there will be significant changes in work processes.

### Recommendation 1

**8.12 We recommend a Review of Organisation Structures including the updating of duties and responsibilities devolving upon grades where the adoption of Information Technologies shall significantly change the work processes.**

### Standing Committee on Organisation Design

8.13 At present, there is a Standing Committee on Organisation Design under the chairmanship of the Ministry of Civil Service and Administrative Reforms (MCSAR) and comprising representatives of the Pay Research Bureau, the Management Audit Bureau and the Ministry of Finance and Economic Development (MOFED), which is responsible to, *inter alia*, advise on organisational structuring; examine reports/requests on major redesign; and make appropriate recommendations as it deems appropriate. The Committee may also require appropriate institutions/individuals to set up such *ad hoc* 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.

8.14 In view of the new exigencies of our public sector which lays more focus on output and outcome, there is need to redefine the composition as well as the terms of reference of the Committee.

### Recommendation 2

**8.15 We recommend that, for each major study, the officer responsible for Human Resource and a representative of the staff well-versed in the activities of the organisation should be co-opted to assist the Standing Committee in its deliberations.**

**8.16 We also recommend that the Standing Committee on Organisation Design should in the conduct of its exercise stand guided by the provisions of paragraphs 8.3 and 8.10 above.**

**Ad hoc Restructure and Creation of grades**

- 8.17 It is very common for organisations to restructure or create grades on an *ad-hoc* basis in between Pay Reviews. The Bureau has, in its 2003 PRB Report, recommended a framework for organisations design and has also set guidelines for the creation of grades.
- 8.18 While maintaining the provisions for the creation of grades, we are making additional recommendations to progressively drive organisations towards more horizontal structures for improved efficiency.

**Recommendation 3**

- 8.19 **We recommend that the creation of grades should be a conscious decision congruent with the criteria set at paragraph 8.3 above and based upon the guidelines as specified overleaf.**
- 8.20 **We also recommend that the MCSAR should ensure that public sector organisations strictly adhere to the provision of paragraph 8.3 above and move in the broad directions enunciated at paragraph 8.10 above.**

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### **Guidelines for Creation of New Grades**

- (a) *The need for the creation of a grade must be well established.*
- (b) *It must be clearly stated whether the creation of the grade 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 efficiency and effectiveness.*
- (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 grade 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 grades to be created and their concomitant levels must also be fully justified. If the grades 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 grade must be accurately and clearly spelt out.*
- (g) *The following practices must be avoided -*
  - (i) *multilayering, 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 grades for the mere sake of giving promotion;*
- (iii) creation of isolated grades which are not integrated in a career structure;*
- (iv) creation of permanent grades to meet temporary needs.*

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## 9. RECRUITMENT AND PROMOTION

### Legal Framework

- 9.1 The Public Service Commission (PSC) has been established by virtue of Section 88 of the Constitution, and Section 89 vests the Commission with, *inter alia*, power to appoint persons to hold or act in any offices in the Public Service (including power to confirm appointments). The other bodies in the public sector exercising power to appoint persons are (i) the Disciplined Forces Service Commission for offices in the disciplined forces, (ii) the Judicial and Legal Service Commission for judicial and legal offices, (iii) the Local Government Service Commission for posts in the local government service, and (iv) Boards of Parastatal and other Statutory Bodies.
- 9.2 In accordance with the Public Service Commission Regulations 1967, the PSC exercises supervision over and approves all schemes for admission to any public office by examination and over all methods of recruitment including the appointment and procedure of boards for the selection of candidates.
- 9.3 In exercising its powers in connection with the appointment or promotion of officers in the Public Service, the Commission has regard to the maintenance of the high standard of efficiency necessary in the Public Service and (a) gives due consideration to qualified officers serving in the Public Service; (b) takes into account qualifications, experience and merit before seniority in case of serving officers; and (c) where a public office cannot be filled either (i) by the appointment or promotion of a suitable person already in the Public Service or (ii) by the appointment of a suitable person who has been specially trained for the Public Service, wholly or partly at public expense, calls for applications by public advertisement.
- 9.4 In the process, the Commission may (a) consult any other person or persons; and (b) seek the advice of a selection board constituted by the Commission which may appoint to it members of the Commission and other persons who are not members.
- 9.5 It is understood that as regards the provisions at paragraph 9.3 (b) above, the qualifications and experience taken into account are those that are relevant and suitable for the post. The Bureau holds the view that suitability of experience should, in principle, be determined from the standpoint of whether the content of the experience and pathways of incumbents reflects the knowledge, attributes, personality traits and abilities/skills/competencies either in terms of potential or in a demonstrated manner i.e. behaviourally.

## **Recruitment**

### **Current Practices**

- 9.6 Entry to the Public Service is made following public advertisement by a competitive selection process – interview or written examination or a combination of both. Except in a few cases, only a selection exercise through interview is carried out. Given the current labour market conditions, where there is an oversupply of overqualified candidates, more and more academically and professionally qualified persons apply to join the service. The recruitment system is based on the merit principle. Only the best qualified candidates are, however, called for the selection exercise and the most suitable ones are offered appointment. In accordance with regulations in force, all first appointments to pensionable offices on permanent terms are on one year probation.
- 9.7 Evidence received from certain quarters, during consultations in the context of this review, indicates that newly appointed officers generally tend to behave and do fairly well during the probationary period. However, with the passage of time, certain confirmed officers very often manifest undesirable attitude and behaviours; take responsibility as it comes; find excuses for putting the minimum effort; operate in a “wait until told mode”; absent themselves when work load peaks or simply impede the work process. They would provide a multitude of excuses for their unprofessional behaviour ranging from personal or family problems to lack of competency and training. While training and development may partially make good certain deficiencies as regards the acquisition of technical competency, much cannot be done for changing bad habits, negative personality traits and behaviour unless there is the willingness of the person concerned to change effectively. Even if technical competency is acquired there is, therefore, no guarantee that a person will deliver efficiently and courteously.
- 9.8 In today’s highly competitive climate, organisation performance and growth depend upon attracting, recruiting and retaining talented and conscientious people who have the ability and the willingness to apply their talent for the benefit of the organisation. Recruitment becomes an important area where much time has to be invested to assess the ability and motivation of candidates to perform effectively. Assessing only ability to do the work may be relatively easy, but determining whether someone is dedicated, committed, responsible, and trustworthy is, far more, difficult than assessing technical competency. Because personnel selection is also concerned with predicting people’s future behaviour on the job, it is essential that the relevant abilities are properly assessed and measured so as to provide a sound basis for reflective choice. Selection procedures must, therefore, be both fair and highly related to successful job performance and desirable behaviour. Recruitment to posts in government should, therefore, be based on suitable examinations or tests specifically conducted by the recruiting authorities for this purpose.

## **Domestic and Foreign Experiences**

- 9.9 Many private organisations, both local and overseas, have developed, implemented and monitored various mechanisms and procedures throughout the stages of the recruitment and selection process that reflect their commitment to high standards and equality of opportunity. Successful candidates pre-screened are invited for face-to-face interviews which generally involve a job competence interview – covering technical skills, experience, approach to applying skills and understanding of the work/context; and a personal information interview – covering the personal situation.
- 9.10 Research has also demonstrated over the years that the interview method only, has limitations and that a combination of other methods along with the interview is the best approach. Some recruiting agencies are incorporating some employee selection procedures such as psychometric testing and behavioural interviewing into their tool kit.
- 9.11 Public Services, in many overseas jurisdictions, have developed new recruitment methodologies. Recruitment and selection processes are now almost, without exception competency based. The use of on-line testing, has also become very common and current in the wider Public Sector.
- 9.12 Utilising a battery of tests for recruitment and selection increases fairness and equity in the eyes of stakeholders. Potential candidates' talents and different skills and attitudes may be tapped and evaluated. Above all, the process can wean the system of undesirables from the start.
- 9.13 Against the foregoing background, it is considered advisable that the public sector modernises its recruitment and selection strategies to be at the leading edge of best practices.

## **Recommendation 1**

- 9.14 **We recommend that, to ensure that the most suitable and meritorious candidates are chosen,**
- (a) recruitment and selection procedures be supplemented with competency, personality and other psychometric tests, wherever desirable and particularly in strategic areas at the professional and managerial levels and for areas such as the disciplined services; and**
  - (b) the Public Service Commission be provided with the services of suitably trained professionals in the field of Industrial/Occupational Psychology who would, after due training, assist the Commission in determining the right type of tests to be carried out in respect of the relevant selection exercise and the way these tests could be incorporated in the selection process, based upon systems that have proved their validity elsewhere.**

- 9.15 To facilitate the process, Chief Executives of Organisations should ensure, as far as possible, that schemes of service are restructured to state explicitly the skills, competencies and attributes that are required in addition to or as part of academic qualification requirements for the different grades under their responsibility.**

### Promotion

- 9.16 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 the officer was last substantively appointed or promoted.
- 9.17 Generally, there are two types of promotion viz. 'class-to-class promotion' and 'grade-to-grade promotion'. According to the Personnel Management Manual (PMM), the terms 'class-to-class promotion' and 'grade-to-grade promotion' are defined as follows:
- (i) 'class-to-class promotion' means promotion to a rank which entails greater responsibilities of a different nature to those previously undertaken and performed.
  - (ii) '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.
- 9.18 A class-to-class promotion which involves a complete change in the nature of the job on promotion is made through a selection exercise. On the other hand, grade-to-grade promotion at levels where officers are expected to perform duties of the same nature but requiring mainly increased experience for the performance of the job is generally made on the basis of seniority.
- 9.19 In the 2003 PRB Report, we analysed the issue of promotion and considered that harmonising promotion procedures and criteria is not a *sine qua non* condition to achieve the desired objective i.e. the enlistment of the right candidate for the right job. Instead, we held the view that each case should be examined on its own merit depending upon a series of factors ranging from the level at which the promotion is to be made, the job specifications and profiles, the availability of persons and the establishment size.
- 9.20 We, therefore, recommended 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.

A promotion framework was also recommended as a guideline.

- 9.21 In the context of this review, we have re-examined the whole issue of promotion policies in the public sector and have consulted different stakeholders, including the Public Service Commission, the Local Government Service Commission and the Ministry of Civil Service and Administrative Reforms (MCSAR) as well as Chief Executives of other public sector organisations with a view to identifying drawbacks and rigidities in the system, sounding possible options for improvement and formulating appropriate recommendations.
- 9.22 Officials submitted that it would be advisable for all promotions to be done by selection. The MCSAR does not concur with this proposal but holds the view that it would be advisable to consider promotion by selection where the competencies to operate in the higher position are substantially different from those of the lower grades. We concur with this view.
- 9.23 Our study has also revealed that the present system of promotion is characterised by the following features:
- (i) in the case of grade-to-grade promotion, which is based on the Responsible Officer's recommendations, seniority has, by and large, become the determining criterion though the most senior officer may not be the most meritorious officer in terms of delivery and achievement;
  - (ii) in a grade-to-grade situation, cases of supersession exist but are very rare except where additional qualifications are required and the more senior officers do not possess same on vacancy arising or when they are under report ; and
  - (iii) class-to-class promotion invariably done through a selection exercise and those grade-to-grade promotion done through selection have the advantage of ensuring that suitable qualification, experience and merit are considered before seniority in determining the most suitable candidate though such promotion are not always perceived to be fair.

### **The Reporting System**

- 9.24 One main reason – probably the single most important – why promotion done by selection is, at times, perceived as being unfair resides in the present Confidential Reporting System. Under the system, the performance of officers is assessed yearly and **confidentially** by the Responsible Officer. Officers are rated under different criteria like knowledge of work, output of work, quality of work, figurework, ability of expression, relations with people, penetration, commonsense and judgement, organisation of work, management of subordinates, constructive power and responsibility. Each criterion has a range of about four to five degree definitions defining the level of attainment and performance, which generally ranges from outstanding through to very good, good, fair, not quite adequate and unsatisfactory. Generally a rating of “fair” in

the overall grading of the officer for qualities and performance of duties during the period covered by the report indicates the minimum acceptable performance. Below that level, the performance is deemed to be considered as generally unacceptable.

- 9.25 The Responsible Officer has to draw the attention of an officer or call upon an officer to explain himself when the ratings are worse than fair e.g. if under responsibility he is rated at level three which specifies that the officer accepts responsibility as it comes or if under factor relations with people he is rated at level three which specifies that he is not very easy in his relationships. It is generally alleged that Responsible Officers generally play safe and demonstrate leniency with poor performers with the result that the latter are given ratings corresponding to the minimum acceptable standard. However, Responsible Officers argue that they do differentiate between the poor and average ones as compared to the very good or outstanding performers by rating the latter at the corresponding levels.
- 9.26 On promotion arising, the reports for the previous three years of all eligible candidates are considered by the appropriate Service Commission. Eligible candidates who are not necessarily the most senior may, by virtue of their performance, work behaviour and commitment, have been given, as explained above, a more favourable report in terms of suitability for promotion than the most senior officer. Following the selection exercise the Commission may find any of the eligible candidates the most suitable. In the event the most senior officer is not chosen s/he could perceive the system to be unfair to him/her while in effect it is not. Understandably, the argument that is often put forward to the effect that the superseded officer was never adversely reported upon is weak.
- 9.27 Performance Management System is going to be rolled out in all Ministries and Departments and is expected to be fully operational by 2009. Under this system, targets and standards would be set and employees would be given feedback on achievement/non achievement of standards set. Competency gaps would be identified and training and development effected to bridge the gaps. Reporting would then be done, among others, on performance, displayed skills and competencies both technical and behavioural, and other personal attributes. This should go a long way towards eliminating the perception of unfairness.
- 9.28 We consider that as Performance Management takes root and gains in credibility, the case for change from the present confidential reporting to reporting under the performance appraisal in the context of Performance Management would become evident. Appropriate recommendations are made on the issue at the chapter dealing on Performance Management. We are hereunder updating and restating the promotion framework and setting the appropriate machinery to look into the reporting issue for equity and fairness.

**Recommendation 2**

**9.29** We again 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 with the mode of promotion explicitly mentioned in the relevant schemes of service.

**9.30** We further recommend the following updated promotion framework as guidelines for determining promotion procedures:

- (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;
- (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 recommendation by the Supervising Officer, 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. This should not preclude selection at two successive levels where the need is felt;



- (f) where the duties to be performed at the next higher level is of a different nature requiring additional competencies (e.g. managerial or leadership) or additional qualifications, the Chief Executive may resort to selection to fill the vacancies at successive level irrespective of whether the previous level was filled by promotion or selection; and
- (g) where the duties performed at the next higher level require additional ability and competencies and such ability and competencies are not sufficiently available in the cadre or the service, the Responsible Officer may proceed to amend the scheme of service to enable recruitment/selection also from outside the cadre or the service.

*Effective Date of Grade-to-Grade Promotion*

- 9.31 In accordance with PSC Circular No. 3 of 1977, the effective date of promotion in respect of a grade-to-grade promotion is the date of occurrence of the vacancy, subject to availability of funds.
- 9.32 An officer who is promoted to a higher post following a promotion exercise is thus eligible to receive the salary of the new office as from the date the vacancy occurred, even if he is on leave of absence at the date of occurrence of the vacancy subject to availability of funds. Thus, though an officer has not been performing the duties and shouldering the responsibilities pertaining to the higher post, he is being paid salary for duties which he has, in fact, not performed. On the other hand, another officer might, in the meantime, have been assigned the higher duties against payment of a responsibility allowance which ultimately results in double payment in respect of the same vacancy. Instances have also been reported where Senior Officers have refused to assume office in an acting capacity knowing that promotion will be backdated.
- 9.33 Both the MCSAR and the Public Service Commission have submitted that this practice of backdating promotion – even if an officer has not performed the duties of the post - is unreasonable and that post should be filled or actingship effected on the basis of operational needs and subject to availability of funds.

**Recommendation 3**

- 9.34 We recommend that filling of vacancies in respect of grade-to-grade promotion should as from 1 January 2009 invariably take effect from either (a) the date of assumption of duty; or (b) the date the actingship/assignment of duties starts; or (c) the date of vacancy whichever is the latest, provided in case of (c) there has been no gap between the actingship/assignment of duties and the date of offer of appointment.

*Probationary Period*

- 9.35 All first appointments to pensionable offices on permanent terms are on one year probation.
- 9.36 Where a public officer has been appointed on probation, the Responsible Officer shall inform the Commission whether in his opinion (i) the public officer should be confirmed in his office; or (ii) the probationary period should be extended so as to afford the public officer further opportunity to pass any examination, the passing of which is a condition of the confirmation, his service otherwise being satisfactory; or (iii) the probationary period should be extended to afford the public officer the opportunity of improvement in any respect in which his work or conduct has been adversely reported upon; or (iv) the public officer's appointment should be terminated.
- 9.37 However, in practice, responsible officers have generally demonstrated leniency in the application of the foregoing provisions with the result that these are not always enforced with vigour.
- 9.38 We are of the view that this aspect of recruitment should not be limited to mere reporting but should be accompanied by forceful means to test the suitability or otherwise of recruits prior to confirmation. **There should, therefore, be a clear policy to subject recruits to certain work related tests/assignments during their probation period, so that any wrongly motivated persons who might have been able to smuggle themselves in can be got rid of with comparative ease.**

**Recommendation 4**

- 9.39 We recommend that Responsible Officers should arrange for appropriate work related tests/assignments to ensure that the officer can display the required competency both technical and behavioural and has the required attitude and commitment prior to the confirmation of any public officer in his office.**

*Work Load and Devolution*

- 9.40 As mentioned earlier, all matters relating to recruitment and promotion that need to be followed for the civil service and civil service posts need a reference to the Public Service Commission. Thus, the Commission is responsible for direct recruitment as well as selection for a large number of grades. Consequently, the Commission has an inordinate work load, in spite of powers delegated to Ministries/Departments/Organisations as regard grades in the Workmen's Group and a few non-manual grades.

- 9.41 Mike Stevens, Consultant, World Bank, in a document "Mission to Mauritius, April 2007", commented that: *"The PSC is in principle willing to delegate more, but is held back by concerns that ministries will abuse their powers, and patronage hiring and promotions could be a consequence. The concern, shared by the PSC, MCSAR and others, is that in a multi-ethnic society the fabric of the civil service could be seriously damaged. The PSC thus sees itself as a bastion of the merit principle, and without close and direct attention to appointments and promotions, schemes of service and CS rules generally, merit could become eroded."*
- 9.42 He added that in other countries *"civil service ministries have delegated personnel management, within centrally set rules, guidelines and principles, to line ministries. In the Mauritian context, this means the PSC moving from a position of directly carrying out appointments to one in which appointments are made by Ministries/Departments/Organisations and MCSAR within a framework of principles and rules jointly developed by the PSC and MCSAR, with oversight provided by the commission."*
- 9.43 To deal with the situation, one way would be for the Commission to produce codes of practice and parameters and to introduce more devolution that allows civil service departments and offices to undertake their own recruitment up to certain levels which have to be determined in line with best practices elsewhere. Under these circumstances, the Commission would remain the regulation body monitoring recruitment and ensuring that the principles of equity, fairness and merit are enshrined in the system.
- 9.44 In the light of the above, it would be appropriate to consider the advisability of delegating more recruitment initiatives to Chief Executives within a framework of principles and rules jointly developed by the PSC and MCSAR with oversight provided by the Commission.

#### **Recommendation 5**

- 9.45 **We recommend that the Public and Disciplined Forces Service Commissions considers the advisability of delegating more recruitment responsibilities to government Ministries/Departments/Organisations but within a framework of principles and roles approved and issued by the Commissions.**
- 9.46 On reduction of its workload, the PSC would then be in a better position to adopt innovative methods of recruitment and selection higher up the ladder by modifying the present procedures and methods, and adopt other initiatives such as association with outside experts, private recruitment agencies and personality and other psychometric testing.

## Recommendation 6

9.47 We additionally recommend the setting up of a Committee under the chairmanship of the MCSAR and comprising representatives of the Pay Research Bureau, the Public and Disciplined Forces Service Commissions, the Local Government Service Commission, two Permanent Secretaries conversant with the subject and such other co-opted members like ex-Chairman of Commissions to:

- (a) conduct the necessary study (including study of best practices obtaining in foreign jurisdictions) and consultations and come up with (i) a framework of principles and rules which can be adopted by the Commission for delegating HR responsibilities including recruitment to line Ministries and (ii) a manual on a new Reporting System to the Public and Disciplined Forces Service Commissions for promotion and other related issues in the wake of the implementation of the PMS;
- (b) consider the advisability or otherwise of setting up Promotion Boards to assist Chief Executives to make recommendations to the Public and Disciplined Forces Service Commissions, in case of grade-to-grade promotion and to report accordingly;
- (c) consider the advisability of setting up a high level compliance committee/regulatory committee to oversee and ensure thorough compliance in process for selection exercise carried out by Service Commissions; and
- (d) consider any other issue related to promotion and selection and report thereon.

### *Age Relaxation*

9.48 At present, the age limit for entry into the Public Service is 35 years. The age limit in respect of employees who join the Workmen's Group is 45 years.

9.49 With the increase in the retirement age from 60 to 65 years, demands have been made that the maximum age limit prescribed for direct recruitment to various posts in the Public Service should be increased.

9.50 We feel that, in the wake of the public sector pension reforms, some liberalisation is necessary.

**Recommendation 7**

**9.51 We recommend that, with effect from 1 July 2008, the age limit for entry into the Public Service be raised from 35 to 40 years. However, the age limit for the Workmen's Group should be maintained at 45 years.**

**Recommendation 8**

**9.52 We additionally recommend that the minimum age of entry in the service should be 18 years except where otherwise required by the provision of a scheme of service.**

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## **10. REVIEW OF SCHEMES OF SERVICE AND QUALIFICATIONS**

### **Schemes of Service**

- 10.1 A Scheme of Service is the legal document, which outlines the profile of every grade of the Public Service specifying the qualifications, experience and qualities required of prospective employees, and delineates the duties and responsibilities for incumbents to understand the requirements of the job. The remuneration of the grade is also mentioned. The scheme of service is, therefore, a vital document for the effective selection and/or promotion of the most suitably qualified personnel in the Public Service.
- 10.2 It has been observed that while some schemes of service provide for required attitudes, skills and competencies, under the item qualification, most of them mention only the academic or the technical qualification. This lacuna is considered as a serious deficiency for Service Commissions and recruiting agencies to select the most suitable candidates in recruitment and promotion exercises.
- 10.3 It is also observed that the schemes of service focus more on duties rather than the role of job holder. The duties elaborated in several of them are rigid and prescriptive and do not provide Management enough flexibility for optimum utilisation of their people. Today, role profile is becoming of greater relevance than rigid description of duties and responsibilities for several positions as it focuses on performance outcomes and accountability.

### **Cognate Duties**

- 10.4 According to practically all current prescribed schemes of service, the incumbents have "*to perform any other cognate duties*". There has never been any attempt to define accurately the terms cognate duties, which have been left to anybody for interpretation and which has caused industrial frictions in some organisations. The Bureau considers it essential to provide clear guidelines as to the duties that should be considered as cognate so as to remove any ambiguity or misinterpretation.
- 10.5 Further, in any organisation senior and experienced employees are called upon to act as mentor to younger colleagues and new recruits. For the delivery of quality service, they have at times to proffer formal training and guidance to less experienced colleagues. There is, therefore, need to make mention of the element of mentoring and formal training in schemes of service.
- 10.6 In short, the scheme of service is vital not only for a successful selection exercise but also as the foundation upon which other processes are based. Consequently, the Bureau is of the view that there is an urgent need to revisit and review those existing schemes of service which do not provide for the

required competencies and personal attributes, to render them more attuned to the realities of the day and written in such a way so as not only to avoid confusion in their interpretation but also to give a clearer view to job incumbents of their role.

### **Recommendation 1**

- 10.7 We recommend that Chief Executives should initiate action to assess the pertinent skills, competencies and personal attributes required for relevant grades and their roles and take appropriate action to bring the necessary amendments, as soon as possible, to schemes of service of grades falling under their responsibility. This should not be done in a manner to hamper the prescription of the schemes of service and subsequent filling of vacancies.**
- 10.8 We further recommend that wherever the terms “*cognate duties*” appear in schemes of service, this should be replaced by the following “*other duties directly related to the main duties listed above or related to the delivery of the output and results expected from incumbents in the roles ascribed to them according to their postings*”.**
- 10.9 We also recommend that, in future, the schemes of service should wherever appropriate include the element of mentoring, training, and basic ICT functions.**

### **Qualifications**

- 10.10** The qualification requirements prescribed in schemes of service are the minimum qualifications necessary for acquisition of skills and level of competency for good delivery on the job. Generally, the higher the qualification requirement, the more complex the job and higher are the responsibilities.
- 10.11** With the increasing number of persons having successfully completed the secondary and/or tertiary level examinations, recruitment in a post nowadays always fetches a large number of candidates who possess higher qualifications than those prescribed for it. As the policy is to recruit best qualified candidates, there are eventually a high proportion of recruits in entry grades with higher qualifications. Provision exists through grant of incremental credits to compensate officers possessing qualifications of relevance higher than the ones prescribed. (This topic is dealt with more elaborately at Chapter 18.9). Moreover, there are also officers who are being called upon to perform at a higher position, distinct from their normal duties, by virtue of their qualifications and competence. These officers are being compensated by way of an allowance upon recommendation of the Responsible Officer and approval of the Ministry of Civil Service and Administrative Reforms (MCSAR). This provision is maintained.

## **Recommendation 2**

**10.12 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 organisations through allocation of relevant duties, such officer may, subject to the recommendation of the Responsible Officer/Supervising Officer and the approval of the MCSAR, be paid an appropriate allowance.**

## **Recognition/Accreditation of Prior Experience**

10.13 Employees should evidently possess the appropriate knowledge, skills and competencies/abilities to deliver on-the-job. In the 2003 PRB Report, provisions were also made for recognition/accreditation of prior learning designed primarily for employees who have acquired knowledge and skills/competencies through experience over the years but having no formal proof of that competence in the form of a certificate by an awarding body in their respective fields. We continue to hold the view that these provisions should be maintained provided that experiential learning is recognised by an approved body.

## **Recommendation 3**

**10.14 We recommend that for posts requiring technical qualifications which are scarce, consideration may be given to the appointment of candidates who lack part of these technical qualifications but have acquired a minimum of 10 years' relevant experience/competence which has been duly recognised by the Mauritius Qualifications Authority (MQA) or any other recognised body as sufficient to make good for the lack of the technical qualifications.**

## **Requirements at Entry Level**

10.15 The qualification requirements to join entry level grades in the service were reviewed in our 2003 PRB Report on account of the major changes taking place in the education system worldwide and in the structure of examinations with modular system of learning.

10.16 Although the qualification requirements for some entry grades is the Cambridge School Certificate with five credits together with two subjects at "A" Level or the Cambridge Higher School Certificate, consideration is also given to candidates who have obtained the five credits at Cambridge School Certificate at two sittings prior to the obtention of the "A" level or Cambridge Higher School Certificate. The present provisions are maintained and enlarged.



#### **Recommendation 4**

- 10.17** We recommend that wherever the qualification requirements for grades at entry level is five credits at the Cambridge School Certificate together with two subjects at 'A' level, or the Cambridge Higher School Certificate, consideration should also be given to candidates who have obtained the five credits at Cambridge School Certificate at two sittings provided the Cambridge School Certificate has been obtained prior to the 'A' level.
- 10.18** We also recommend that wherever the qualification for entry grades is a Cambridge School Certificate with a credit in English Language is a requirement, consideration should also be given to candidates not having a credit in English Language but in English Literature or at Advanced Subsidiary Level in English or General Paper at the Cambridge Higher School Certificate examinations or the equivalent qualification.
- 10.19** We further recommend that the MCSAR may, particularly in areas where there is difficulty of recruitment and high turnover rate, extend on a case to case basis, in consultation with relevant parties, the recommendation of having credit in the number of subjects required of not more than two sittings to posts where:
- (a)** a Cambridge School Certificate with credit in five subjects or less is required; and
  - (b)** appointment is made from among serving officers provided they have obtained at least the Cambridge School Certificate or the equivalent General Certificate of Education 'O' level at one or two sittings.

#### **Qualification Requirements at Degree Level**

- 10.20** In the 2003 PRB Report, we recommended that the qualification for entry grades requiring a degree should be a post 'A' level degree in the relevant fields except in the education sector where post SC degree is deemed to be equivalent to a post HSC Diploma and post SC degree with a Master's degree or a post graduate Diploma in the relevant field is deemed to be equivalent to a post "A" level degree for all intent and purposes. This recommendation has been variously interpreted.
- 10.21** The 'A' level requirement has, in general, been interpreted as two passes at the GCE "Advanced Level" obtained on one certificate.
- 10.22** Representations have been received to the effect that candidates possessing the two 'A' levels at different sittings should also be eligible for appointment to an entry grade, the moreso because for admission to the University for an undergraduate course, the two 'A' levels at two sittings are deemed to be

equivalent to the two 'A' levels at one and the same sitting. It has also been argued that obtention of two 'A' levels at two sittings does not reduce the value of the qualification nor the potential of the candidates.

10.23 The provision of the Education (Amendment) Regulations (1957) provides that the two passes at the GCE 'A' level at one and the same sitting is an acceptable alternative qualification to the Cambridge Higher School Certificate. This is because passes in a minimum of two subjects at the Principal level with a pass in General Paper and a subsidiary subject are minimum requisites to obtain the Cambridge Higher School Certificate.

10.24 We have re-examined the whole issue and hold the view that there is need to review the basic qualification requirements for entry grades requiring a degree to be in line with the government commitment to encourage lifelong learning.

### **Recommendation 5**

**10.25 We recommend that:**

- (a) the qualification requirements for entry grades requiring a degree should be a post 'A' level degree in the relevant field. However, this recommendation should not apply to grades in the Education Sector where a post SC degree has been deemed equivalent to a post HSC diploma in the scheme of service;**
- (b) for entry grades requiring a post "A" level degree, candidates who have obtained at least two passes at GCE 'A' level at more than one sitting, prior to the obtention of the degree qualification, should also be considered for appointment;**
- (c) wherever the qualification requirements for an entry grade is a post "A" level degree, candidates possessing a post SC degree together with a Master's Degree or equivalent post graduate qualification should also be considered for appointment;**
- (d) where appointment is made by selection from among serving officers possessing a post 'A' level or post HSC degree, consideration should also be given to serving officers possessing a post SC or post 'O' level degree and a Master's Degree or a post graduate certificate or diploma in the relevant fields; and**
- (e) wherever the qualification requirements for an entry grade is a post "A" level degree together with a Master's Degree, candidates possessing a post SC degree together with either a double Master's Degree or a PhD should also be considered for appointment.**

### **Amendments to entry grades requiring a Degree**

- 10.26 In rationalising qualification requirements at degree level, the Bureau recommended that candidates, wishing to join the teaching profession at secondary level, who, as at 30 June 2003, possessed a post SC degree should also be considered provided that they additionally hold a Master's Degree or a post graduate diploma in the relevant field.
- 10.27 The implementation of the above recommendation has been unfavourable to serving officers who are degree holders but do not possess the Cambridge Higher School Certificate or the GCE 'A' level as well as to post SC degree holders who have obtained or shall obtain their Master's degree or post graduate diploma after 1 July 2003. Previously, these officers could apply for entry grades in the education sector which now requires a post "A" level degree but are no longer eligible. We are, therefore, bringing in more flexibility whilst at the same time providing for a protection period of 10 years to allow such officers sufficient time to upgrade their qualifications.

### **Recommendation 6**

- 10.28 We recommend that serving officers, in the teaching profession possessing a post SC degree, may be considered up to 30 June 2018 for grades in the education sector requiring a post "A" level degree provided they additionally hold a Master's Degree or a post graduate diploma in the relevant field.**

### **Entry Grades Requiring Exclusively Science Degrees**

- 10.29 Science is a branch of knowledge requiring systematic study and method especially dealing with substances, life and natural laws. Our survey on Recruitment and Retention Problems in the Public Sector reveals that there is a dearth of candidates for many posts requiring science qualifications. People normally tend to undertake studies in fields that offer better remuneration and brighter promotion prospects.
- 10.30 To address the issue to a certain extent, Government has established the Rajiv Gandhi Science Centre Trust Fund with the aim of, *inter alia*, promoting Science and Technology and supplementing school education through non-formal programmes. Moreover, the Ministry of Education and Human Resources is proposing to make the study of at least one pure science subject compulsory up to School Certificate level. There is, therefore, a movement towards encouraging the study of science. **In line with this policy we have, in this Report, recognised and rewarded those possessing science qualifications at professional entry level by discriminating through the grant of a higher initial salary.**

### **Qualification Requirements for grade-to-grade promotion**

10.31 At present, a serving officer is also considered for promotion to the next level in the hierarchy if he possesses the higher/highest qualification prescribed but lacks part of the lower qualification in a case where more than one qualification are required.

### **Recommendation 7**

**10.32 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 only part of the lower qualification/s should also be considered for promotion provided he satisfies all the other requirements of the promotional grade.**

### **Alternative and Equivalent Qualifications**

10.33 There are several entry grades which require a degree but appointment thereto has been made with qualifications which have been considered as alternative and as far as possible of the same level to those prescribed in the schemes of service. Similarly, candidates holding a degree but lacking part or the whole of the School Certificate qualification are also considered for appointment, particularly in areas of scarcity. We are maintaining the present provisions.

### **Recommendation 8**

**10.34 We recommend that:**

- (a) 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;**
- (b) 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; and**
- (c) where a candidate has been recruited based on the qualifications deemed to be equivalent to the prescribed qualification in the scheme of service, this equivalence should continue to be considered for promotional grades as if the incumbent possesses the required qualifications.**

### **Qualifications Requiring Registration with Recognised Bodies**

- 10.35 There are grades which require professional registration to recognised Institutes/Bodies according to the schemes 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 broaden their outlook and keep abreast of latest development in their respective fields of activities. Registration involves payment of an annual subscription fee. At present, 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, is granted to officers who according to their schemes of service are required to be members of recognised Institutes/Bodies to be able to exercise their profession and have to subscribe for membership in order to be on roll.
- 10.36 As the annual subscription fee is quite significant, representations have been received for the refund of the full amount of subscription fee paid to the recognised Institutes/Bodies. We have studied the representations and are bringing some changes to the present recommendation.

### **Recommendation 9**

#### **10.37 We recommend that:**

- (i) **an officer who is required to be professionally registered with recognised Institutes/Bodies according to his scheme of service to be able to practice the profession, should be refunded the full amount of annual subscription fee with one of the relevant bodies subject to a maximum of Rs 5200 annually; and**
- (ii) **an officer drawing salary in a scale, the maximum of which is not less than Rs 40000 who, though not required to be registered with recognised Institutes/Bodies according to his scheme of service but has opted to register himself to keep abreast of latest development in his specific field of activities, may be granted, subject to the approval of the Responsible Officer, an assistance of 50% of the annual subscription fee subject to a maximum of Rs 2600, provided that the knowledge/know-how derived from being a member of the Institutes/Bodies is of relevance to the duties of the officer.**

### **Continuous Professional Development (CPD)**

- 10.38 Some professionals are required to achieve a minimum number of units of continuous professional development every year as a condition to maintain their membership in their respective professional Institute/Bodies. This involves incurring expenses in relation to the achievement of the appropriate number of units of CPD. We are providing an incentive as compensation to those for whom such condition applies.

### **Recommendation 10**

**10.39 We recommend that officers who, as a condition to retain their membership to their recognised Institutes/Bodies are required to achieve a minimum number of units of CPD should be provided an assistance of 50% of the total expenses in relation to the achievement of the appropriate number of units of CPD, subject to a maximum of Rs 10000 annually.**

### **Technical Officer Cadre Providing Support Services to the Professional Cadre**

10.40 In several organisations, the staff of the technical cadre provides support services to the professional cadre. For example, Library Officer cadre services the Library Department and provides support service to the professional Librarians. Similarly, staff of the Technical Officer cadre in Agriculture and related field provide support service to the Scientific Officers. The qualification requirement to the technical grade at entry level is usually a diploma whilst for the professional entry level, it is usually a University degree.

10.41 With the development and setting up of distance learning institutions, and the trend for continuous learning, staff of the technical cadres have generally upgraded the diploma qualification to degree level whilst the officers in the professional grade are improving theirs to a post graduate qualification. Officers who have acquired degree qualifications, and are still in the technical cadre have made representations for being absorbed into the professional grade.

10.42 Quite often, the operational needs of the organisations do not allow the creation of several posts at the professional level and the activities at the sub-professional level should continue to be carried out by the technical staff. That staff who have acquired additional qualification relevant to their respective grades are granted additional increment at the salary point reached according to the recommendation provided in the 2003 PRB Report. We have considered this issue at length, as well as the implications of allowing technical staff who have upgraded the qualification to degree to join the professional grade, and in the circumstances we consider that the best option would be to provide some form of reward by way of further incremental credits.

### **Recommendation 11**

**10.43 We recommend that officers of a technical cadre, where the qualification requirement for the entry grade is a diploma and subsequently the incumbents have upgraded their qualifications to degree or post graduate in the relevant field may exceptionally be allowed to proceed beyond the top of the salary scale incrementally by the number of additional increments approved by the Standing Committee on incremental credits which they earned by virtue of the additional qualifications.**

**10.44 This recommendation would be applicable only to officers drawing salary in a scale the maximum of which is not less than Rs 29000 and who are often called upon to do part of the professional functions.**

### **Special Provisions for Graduates and Professionals**

10.45 Officers in posts requiring a degree or a professional qualification in the Public Sector are found in various fields including administration, accountancy, architecture, computer science, economics, education, engineering, land surveying, pharmacy, quantity surveying, science and technology, statistics, valuation, and veterinary science.

10.46 The organisation structures of the professional cadres in the public sector differ from one organisation to another, depending on the operational needs of the entity to deliver on its mission. The criteria for progression within the professional cadres also differ from cadre to cadre – in certain cadres, progression to the higher levels in the hierarchy is done invariably on the basis of a selection exercise; in some a selection exercise is done alternately in accordance with the promotion framework published in the 2003 PRB Report; and in others it is mere promotion based on seniority.

10.47 There are also several professional structures where there exist a grade of senior but same is superfluous as the incumbents do not assume that team-leadership role. In other instances, the professionals in the entry grade sometimes stagnate at the top of the salary scale for several years due to lack of vacancies in the higher grade or because they are in isolated posts with no career opportunities.

10.48 In line with the general philosophy favouring delayering and flatter structures, which focuses on increased efficiency, customer responsiveness and emphasis on performance and results, we have re-engineered the structures of the professional cadres, to the extent that is possible, to:

- (i) reduce the multiplicity of grades particularly where the team-leadership role is not warranted;
- (ii) eliminate overlapping of functions; and
- (iii) achieve greater efficiency in work organisation, accountability and reporting.

10.49 In certain structures, the moreso in areas where the market is tight, we have simply merged the first two professional levels particularly where there is considerable overlapping between the two grades, the team-leading function is performed at a higher level and the pay without the merger would be completely out of line with the market. In such cases a Proficiency Bar (PB) has been inserted in the salary scale. However, where the team leadership function is

present, the entry grade and the senior grade have been maintained separately. In such instances, incumbents in the entry grade may be at a disadvantage vis-a-vis colleagues in the former structures, notwithstanding market rates. Hence, there is need for some special provisions for this category of professionals.

- 10.50 Further a survey carried out in collaboration with the Central Statistics Office has revealed that at the middle management levels, though graduates and professionals in the private sector, at the initial stage of their career, draw lower salaries than their counterparts in the Public Sector, after a few years of experience, their absolute levels of pay generally catch up with and exceed by far pay levels in the Public Sector.
- 10.51 We are, therefore, making special provisions, wherever deemed expedient, for the entry graduates and professionals to ensure that the remuneration package of incumbents with relevant experience in the Public Sector is competitive. The restructuring exercises are dealt with more elaborately under the respective Ministries/Departments/Organisations.

#### **Recommendation 12**

- 10.52 We recommend that officers in entry grades/promotional entry grades requiring a University Degree or a recognised professional equivalent qualification drawing salary in a scale the maximum of which is not less than Rs 40000 and having reached the top of their respective salary scales should be allowed to move incrementally in the master salary scale up to salary point Rs 43750, provided, subject to the provisions of paragraph 10.53, they have:**
- (i) drawn the top salary for a year; and**
  - (ii) been consistently efficient and effective in their performance during the preceding two years and have not been adversely reported upon on grounds of either performance or misconduct.**
- 10.53 As from a date to be determined by the High Powered Committee Officers would be required to achieve a standard of performance higher than just the minimum acceptable standard for two years to be eligible for additional increment under provision 10.52 above.
- 10.54 The grant of any increment under the provision at 10.52 shall take effect as from 1 July 2009. As from that date, officers concerned drawing salary of Rs 41250 and above, by virtue of any provision, shall be eligible to all the benefits linked to that salary point, subject to provision at paragraph 18.2.26 (iii) of Volume I of this Report, concerning renewal of car.



10.55 We further recommend that, where the entry grade and the senior grade have been merged, officers should be allowed to proceed beyond the Proficiency Bar (PB) inserted in the salary scale, provided they satisfy the conditions set out at paragraph 10.52 (i) and (ii) above.

**Recommendation 13**

10.56 We additionally recommend that officers of the level of the Principal Assistant Secretary having reached the top of their respective salary scales should be allowed to move incrementally up to a maximum of two increments in the master salary scale, provided they have:

- (i) drawn the top salary for a year;
- (ii) been consistently efficient and effective during the preceding two years i.e. have displayed skills and competence as relevant in (a) the leadership function; (b) the strategic, co-ordinating and integrative role; (c) the critical decision making and crisis management responsibilities; and (d) the delivery of the necessary outcomes; and
- (iii) not been adversely reported upon on ground of misconduct.

10.57 The MCSAR should work out the *modus operandi* for the implementation of the above provisions which should include self appraisals of incumbents on their performance.

**Recommendation 14**

10.58 We recommend that, the Authorities consider gradually raising the minimum qualification requirements for entry to grades requiring a degree with salary in a scale the maximum of which is Rs 40000 to a Post graduate Degree or equivalent post graduate qualification in the respective fields, except in areas of scarcity.

10.59 We further recommend that the provision for long service increment recommended at Chapter 23 paragraph 23.7 (vii) should be granted, wherever applicable, for the last time on 1 July 2008. The provision should be replaced as from 1 July 2009 by the recommendation made at paragraph 10.52 above.

10.60 The foregoing recommendations should equally apply to Parastatal Bodies, Local Authorities and the Rodrigues Regional Assembly, wherever relevant.

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## **11. SYNERGISING PERFORMANCE MANAGEMENT AND PROGRAMME BASED BUDGETING AND MAKING THEM WORK**

- 11.1 At present, two landmark programmes: the Performance Management System (PMS) and the Programme Based Budgeting (PBB) are being implemented under the Public Sector Reforms initiatives. One is complementary to the other in the sense that both systems are results oriented and emphasise a performance oriented culture; facilitate national development planning and budgeting processes; and are linked to delivery of national vision goals. These two systems also aim at focusing resources to the results rather than inputs. They are thus moving the Public Service from an input based system and linking expenditure to outputs and outcomes. Synergising both systems and make them work becomes therefore imperative.
- 11.2 We are, herewith, taking on board successes and concerns associated with the implementation of these initiatives, clarifying the links between them, making recommendations to strengthen the processes, redefining the roles of the various stakeholders and establishing a time frame for different actions.

### **Programme Based Budgeting**

- 11.3 The PBB is spearheaded by the Ministry of Finance and Economic Development (MOFED). It is an innovative approach of budgeting where funds are allocated for strategic programme objectives while the budget document emphasises on information regarding intended outputs and results. The aim is to shift the budget focus among policy makers and managers from inputs to outputs and outcomes.
- 11.4 This approach uses statements of mission, goals and objectives to explain why money is being spent and the way resources including Human Resource (HR) are allocated to achieve specific objectives based on programme goals and measurable results. It links expenditure with targets and enhances transparency and accountability.
- 11.5 The Director of Audit has drawn attention to the challenges faced by other countries and which, if not properly addressed, could become the main causes for failure in our endeavour. These are:
- *“Lack of trained personnel needed to carry out the requisite analysis*
  - *Lack of adequate information due to the accounting system not being well integrated with planning, budgeting, cash and debt management, and auditing systems*
  - *Lack of stability necessary to enable longer-term budgetary planning*
  - *Lack of consistent political commitment necessary to allow the reform to be fully implemented”*

- 11.6 As regards these challenges, we consider that the first can be overcome through training for the acquisition of the right competencies and the second relates to a change of system which should be addressed. On the other hand, the last two issues would require initiating discussions on a minimum consensus.
- 11.7 Understandably, the MOFED is moving cautiously and in a planned manner for implementation. Alongside the traditional line Budget, the MOFED has presented an indicative PBB for the period 2007-2008 to 2009-2010 and this has set the stage for a full movement to PBB for year 2008-2009. The Budget implementation and monitoring for year 2007-2008 was geared towards facilitating this transition to PBB.

### **Performance Management System**

- 11.8 The implementation of the Performance Management System (PMS) is being steered by the Ministry of Civil Service and Administrative Reforms (MCSAR). It is a means to redirect managerial effort from conformance to performance and seek value for public money. This is necessitating several changes in the ways public sector organisations work. It is expected to evolve as a system in which the purposes of organisations are agreed upon, their activities and products/services clearly defined and measured, and where there are ways of ensuring that these organisations achieve an agreed level of output.
- 11.9 The adoption of the system is in line with the Government Programme which accords high priority to economic recovery and to improving the performance of public service to deliver results to the people. The commitment of the Government - a prerequisite for success - is evident from the Prime Minister's declaration in Parliament and the support given by several Ministers when the system was launched in different Ministries.
- 11.10 The introduction of the system in the public sector is gaining ground with some 35 organisations already implementing it. The indications are that the system will be rolled out across the whole Civil Service by December 2009. The challenge, over the coming years, is to sustain the system and make it deliver on its promises **for a performance culture to take root and to last** in the Civil Service.
- 11.11 The sustainability of the system rests on **promoting favourable implementation conditions; aligning other initiatives and human resource practices; getting top management commitment; developing fair and equitable performance measurement systems; using performance information judiciously; engaging people and holding them accountable for results; and more importantly creating an environment conducive to a performance culture while shedding the present minimum conformity mindset.**

- 11.12 Feedbacks from organisations, where the PMS is being run, are both instructive and encouraging. They confirm that the system properly designed and implemented can provide an effective framework for:
- (a) defining the **critical leadership role** in designing and deploying the PMS and for Public Sector Managers to move from the administrative mode of conformance to managing for results;
  - (b) setting **strategic direction**, defining goals and measures, and reporting on performance;
  - (c) systematic **staff involvement** and communications on expectations and standards of performance;
  - (d) **aligning operational goals** and objectives to those of programmes/ organisations;
  - (e) staff measuring and monitoring their own performance against clear standards/targets; thus moving from a supervisor control mode to a **self empowerment** mode; and
  - (f) mutual understanding of the **competencies required** and competency gaps identified useful for training and development.
- 11.13 However, findings also indicate some gaps and weaknesses in the present arrangement, in terms of design, support and capability to implement the PMS. While there are in certain sectors febrile leadership commitment and support to implement the PMS, in others Managers manifest lack of belief in the system. Still in other organisations, staff members show little interest, or have negative reactions and perceive that there may be unfairness/inconsistency particularly as regards to appraisal. Another observable factor is that managers lack the skill to implement the system and operate the processes.
- 11.14 These concerns can be appropriately addressed by getting top management involved from the very outset and adopt proper enabling role, instituting focused training for managers and staff and by putting in place a widespread communication strategy. Technical support, particularly, in the proper design and in explaining the rating and appeal mechanism in the PMS, should address the concerns of unfairness and inconsistency.
- 11.15 As in several other countries the PMS is poised to emerge as the driving force for broader public sector reforms serving the dual purpose of improving efficiency and effectiveness and ensuring value for public money. It should dictate a new organisational structure with clear line of responsibility and accountability and can guarantee, if sustained, the emergence of a performance culture. It should reveal competency gaps essential for training and development interventions. It should also become an essential part of 'normal' management

ensuring that supportive and constructive relationships are built between managers and the employees with management by control replaced by management by contract or self management. In the medium term, if properly implemented, the PMS is expected to also serve as a basis for recognition, reward and promotion.

- 11.16 In the light of lessons drawn from PMS projects and the PBB, as well as learnings revealed by experiences in other countries, we are clarifying the link and alignment between both systems, coming up with a balance set of measures and providing for means to address the Human Resource challenges associated with the two systems.

### **The Alignment Clarified**

- 11.17 As mentioned earlier, while the MCSAR has been pushing forward the PMS Agenda, the MOFED has been steering the Programme Based Budgeting (PBB) cast in the Medium Term Expenditure Framework (MTEF). The new system of budgeting which was done concurrently with the line budgeting last year is being adopted for all Ministries and Departments as from 1 July 2008. On the other hand, the full rolling out of the PMS, according to the Civil Service Plan approved by Government, has been deferred to December 2009 in view of the implications for the large battalions – the Ministry of Health and Quality of Life and the Ministry of Education and Human Resources.
- 11.18 To synergise both systems and make them work, there is need to clarify the linkage and alignment between both PBB and PMS conceptually. Both of them have to be aligned to strategic outcome and strategic goals which can be outlined in a strategic plan.
- 11.19 Under the PBB, Ministries and Departments are required, in the first instance, to identify their programmes and sub-programmes which have to be aligned to their respective missions and outcomes; and budgets are allocated according to these programmes or to projects under these programmes. In future, budget allocation will, in principle, be linked both to the achievement of objectives under the different programmes, sub-programmes or projects and government's view of the relative importance of same. The Chief Executives and the designated officers attributed the responsibility of the programme are accountable for achieving the targets under the PBB. It is understood that the Chief Executives would be required to agree to certain outputs and outcomes under a performance contract.
- 11.20 But with PBB alone, only the Chief Executives and the Programme Officer are accountable. There is, therefore, need for a system to ensure accountability down the line as achievement of goals of organisations are of concern to everybody. The PMS fills this gap both conceptually and in practice. This is done

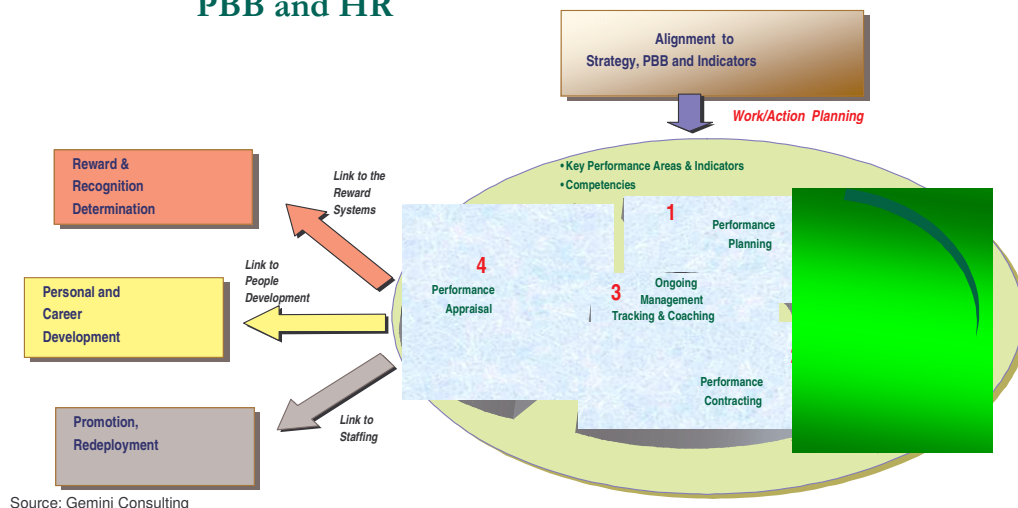
through cascading down the organisation/programme goals to departmental work unit/teams and individuals goals in an aligned and systematic manner and establishing standards and measures for meaningful contribution. This is followed by monitoring to track performance of departments and units/teams, and officers are held to account.

**Alignment and Linkages of PBB and PMS**

11.21 Another linkage and alignment which is crucial is the one linking both the systems with HR practices. As people are engaged for their contributions, they need to either possess or develop the necessary competencies and aptitudes to produce the desired output in a most optimum manner. Therefore, the HR practices should be aligned so that recruitment, promotion, training, development and rewards take into account the competencies, both technical and behavioural required to produce the necessary outputs and results.

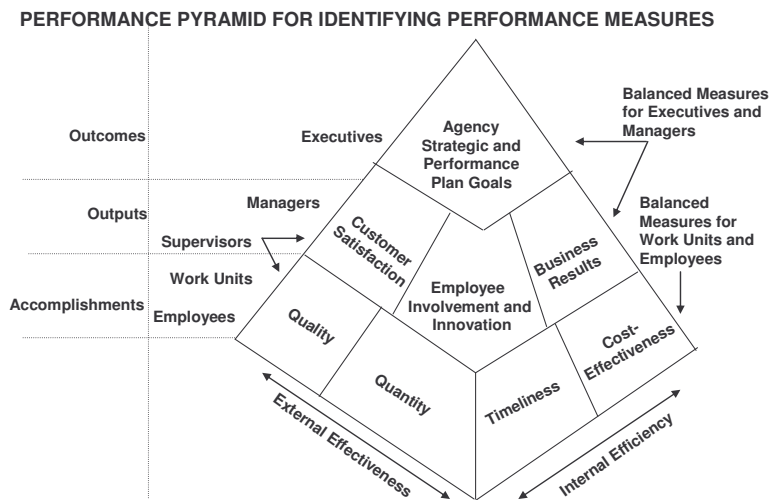
11.22 The totality of the foregoing alignments and linkages can be depicted diagrammatically as shown below.

**Alignment and Linkages of PMS, PBB and HR**



11.23 Another important linkage and alignment that can facilitate both comprehension and implementation by Ministries, Departments and Statutory Bodies (MDS) is a comprehensive set of simple balanced measures that can be used under both systems. Consultants involved in the PMS implementation process from Commonwealth Secretariat and World Bank, and senior officers of public sector share the view that there is need for an integrated balanced approach to Performance Measurement. One Consultant has even suggested the adoption of the Balance Scorecard System implemented in the Botswana Civil Service.

- 11.24 The concept of Performance Measurement is based on the fact that “you get what you measure and can’t manage a project unless you measure it”. Measures are the yard sticks used to determine how well the organisations’ Work Units and employees produce or provide services. The types of measures used at various levels, although interlinked, are different. While the elements of quality, quantity, timeliness and cost-effectiveness are critical criteria to measure performance in general particularly at work unit and employee’s level; customer satisfaction, innovation and accomplishments of goals are more important measures for Executives and Managers at the level of the organisations. To allow organisations to develop performance measures meaningful to track performance in both the Performance Management and Programme Based Budgeting systems, there is need for well defined multidimensional appropriate measures to enable fair and consistent assessment and to facilitate proper self-assessment as well.
- 11.25 We give, hereunder, an integrated model of Performance Measurement which is being used elsewhere and which can be used as a guide both for the design of the Performance Measurement System as well as a means to track performance under PMS and PBB.



COURTESY: WORKFORCE COMPENSATION AND PERFORMANCE SERVICE

- 11.26 It should, however, be noted that the measures of quality, quantity, effectiveness and efficiency are general measures and that specific measures corresponding to these general measures need be formulated for each key accomplishment which would be different from grade to grade or from organisation to organisation. Monitoring and tracking of performance can thus be facilitated.

## **Recommendation 1**

### **11.27 We recommend that:**

- (a) Ministries/Departments develop performance indicators to track achievement of their performance or programme goals and report thereon for budget and establishment purposes by March or by October every year when budgeting would be done on a calendar basis;**
- (b) customer service surveys be carried out based on the drivers/determinants of satisfaction mentioned at Chapter 5 paragraph 5.42 (iii) of this Volume to track degree of satisfaction and receive feedback for improving services;**
- (c) at the level of individual officers up to team leaders the general measures of quality, quantity, timeliness, and cost effectiveness be used;**
- (d) supervisors with their staff work out the specific measures corresponding to the general measures of quality, quantity, timeliness, and cost effectiveness for each key-result areas to be measured;**
- (e) officers be required to carry out and submit self appraisal report regularly on their performance in their key-result areas; and**
- (f) monitoring of performance be done in respect of key-result areas, based on the extent to which the standards under the four specific measures of quality, quantity, timeliness, and cost effectiveness are achieved.**

### **11.28 We also recommend that the MCSAR in consultation with the MOFED may review and update the balance set of generic financial and non financial performance measures for the measurement of output and accomplishments as and when the need arises. The guiding principles for establishing a performance measurement system are to:**

- (i) view performance measurement as a valuable tool;**
- (ii) measure what is important – not what is easy to measure;**
- (iii) rely on multiple methods for measuring performance against objectives agreed at the outset ;**
- (iv) seek employees commitment and acceptance of the performance measures and standards.**



**11.29 For a harmonised approach, it is advisable for organisations to stand guided by the ensuing process in the design of the Performance Measurement System:**

- Step 1** Look at the overall picture – align performance measures on organisational/programme goals and objectives.
- Step 2** Determine work unit or team accomplishments that contribute to the programme goals/objectives.
- Step 3** Determine individual accomplishments that support work unit or team goals.
- Step 4** Convert expected accomplishments into key performance elements, indicating whether they are critical or not.
- Step 5** Determine work unit and individual measures which quantify accomplishments. The measures can be grouped in five general categories: effectiveness, efficiency, quality, timeliness, and productivity.
- Step 6** Develop work unit and individual standards.
- Step 7** Monitor performance – based on the standard and the measures.
- Step 8** Use the feedback for service improvement and for other Human Resource functions.

### **The Role of the Ministry of Civil Service and Administrative Reforms**

11.30 The MCSAR has been instrumental in steering the Performance Management System, so far, in the public service. It is the coordinating Ministry and all other Ministries/Departments look upon it for appropriate guidelines and assistance to implement, run and maintain the system. The MCSAR has further put in place an institutional framework to facilitate and coordinate the implementation of the PMS that features the following arrangements:

- (i) appointment of a PMS Facilitator, normally an officer of the HR cadre from the Ministry/Department concerned, to help coordinate the project under the guidance of a PMS Coordinator from MCSAR;
- (ii) setting up of a PMS Steering Committee at the Ministry/Department level under the Chairmanship of the respective Supervising Officer/Head of Department for continued leadership, involvement and ownership of the initiatives that are undertaken; and
- (iii) the Central PMS Monitoring Committee at the level of the MCSAR to create enabling environment for the PMS roll out, to ensure consistency in its implementation and to report progress to the High Level Steering Committee on Public Sector Reforms.

## **Recommendation 2**

- 11.31 We recommend that the MCSAR should continue to be the coordinating Ministry, and provide both leadership and support to public sector organisations for the implementation of the PMS in the public sector, and review the Institutional Framework, as and when required, to ensure that the system is sustained.**
- 11.32 We recommend that Ministries consider the advisability of rolling out the Performance Management System and the Programme Based Budgeting to Parastatal Bodies and Local Authorities under their *aegis* so that, by June 2010 all public sector organisations would have adopted the PMS and the PBB.**

## **Technical Expertise to support implementation**

- 11.33 Implementing the results based management systems like the PMS and PBB is challenging for organisations, the moreso, as there is lack of in-house technical capacity. One important lesson learnt from the pilot projects is to use outside expertise to support implementation. Technical expertise can provide guidance on every aspect of development and use of the systems. It often saves time, offers reassurance and improves results.**

## **Recommendation 3**

- 11.34 We recommend that the MCSAR and the MOFED should continue to provide the required expertise to implement and run the systems and have recourse to private consultants or public officers with expertise in either the PMS or PBB to install and run the programme on the scheduled time in all the Ministries/Departments.**

## **Building Capabilities**

- 11.35 The capacity to implement the PMS and PBB successfully depends largely on the level of capability that can be achieved by individuals and teams, and the level of support given by management.**
- 11.36 The MCSAR and MOFED have been spearheading training programmes in PMS and PBB and there is need for continuous capability assessment to identify capability gaps and provide for building capacity to keep the momentum.**

## **Recommendation 4**

- 11.37 We recommend that all Ministries/Departments in collaboration with the MCSAR conduct specific capability review annually and take action to develop the capabilities and competencies for the implementation of both the systems (PMS and PBB).**
- 11.38 We also recommend that both the MCSAR and MOFED synergise their efforts in the planning and delivery of training programmes for PMS and PBB to ensure that the appropriate competencies at the appropriate levels are developed and ensure that resources and resource persons, particularly those from overseas, are used in an optimum manner.**

### **Public Sector Reforms Steering Committee (PSRSC)**

11.39 The PSRSC, as set up under Chapter 5 of this Volume on Public Sector Management Reforms, monitors and coordinates reforms initiatives including the PMS and PBB in the public sector. It gives the strategic guidelines and directions for the sound implementation of reform programmes across the public sector.

11.40 The PSRSC is mainly a steering body and there is need to have an executive arm to monitor the reforms initiatives. We are setting up a special committee for the proper coordination of activities under the PMS and PBB.

### **Recommendation 5**

**11.41 We recommend the setting up of a Monitoring Committee on PMS and PBB under the co-chairmanship of MCSAR and MOFED and comprising representatives of the Management Audit Bureau and such staff with expertise in the domain with the following terms of reference:**

- (a) to review twice yearly the status of PMS in Public Sector Organisations: Ministries/Departments, Parastatal Bodies and Local Authorities, and recommend course of action to address shortcomings and deal with impediments;**
- (b) recommend, as from 2010, for approval to the Standing Committee on Remuneration the payment of an annual bonus every year to all concerned staff in an organisation that has successfully implemented the PMS and deliver the targets under PBB for a continuous period of two years; and**
- (c) ensure that organisations utilise performance information for continuous improvement, which can be through, *inter alia*, updating of goals and measures; re-engineering of process; or reallocation of resources.**

### **Recommendation 6**

**11.42 We also recommend that:**

- (a) all organisations should come up with their strategic plan by July 2009;**
- (b) Chief Executives be accountable for the accomplishment of the organisation's goals and objectives and ensure the sustained implementation of all processes under Performance Management System and Programme Based Budgeting including the setting up of organisation programme, team and unit goals and objectives, establishment of performance measures and standards at the different levels, continuous monitoring and evaluation, use of performance measures for improving service delivery and training and development and report achievement/shortfall, whenever required;**

- (c) **the MCSAR and MOFED consider the advisability of requiring organisations to report on their achievement of programme/organisations objectives once annually in a single return to the MOFED for budgetary provisions and for use by the MCSAR for establishment provisions; and**
- (d) **the following indications be used, wherever relevant, for either budgetary and/or establishment provisions:**
  - (i) **achievement of programme objectives;**
  - (ii) **order of priority of programmes; and**
  - (iii) **estimated cost of service by alternative provider.**

### **The Annual Confidential Report**

- 11.43 At present, the Annual Confidential Report (ACR) provides a form of assessment on the performance of the employees that is used for confirmation in service, grant of increment, promotion, deputation and other special assignments.
- 11.44 It is also intended to identify strengths and weaknesses as well as achievement and shortcoming of individual employees and can thus, be an essential tool for Human Resource Management.
- 11.45 However, a number of suggestions have been received as to the shortcomings of the annual confidential reporting. Apart from being a “closed” system, the ACR is filled in after events have occurred long back and is mostly based on last impressions. Today, there is widespread demand for greater openness and transparency in appraisal so as to eliminate subjectivity.
- 11.46 The PMS provides for such a performance appraisal system where there is objectivity in reporting, where comments are focused and specific and where there is performance planning, ongoing feedback, coaching and review.
- 11.47 As it would take some time before the whole public service implements the PMS, the ACR needs to be maintained till then.

### **Recommendation 7**

- 11.48 **We recommend that a Special Committee, under the chairmanship of the MCSAR and having as member the Director, Pay Research Bureau; the Secretary, Public Service Commission; the Secretary, Local Government Service Commission; two Permanent Secretaries versed in the subject; and the Director, Human Resources, be set up to review the Confidential Report and to come up by June 2009, after consultation with staff, with a revised format for “Reporting to the Public Service Commission for promotion” which should comprise two parts: (a) a Performance Appraisal Report; and (b) a reviewed version of Part B of the present Confidential Report.**

11.49 We also recommend that the Special Committee may make recommendation to the High Powered Committee for (a) the period for which the present Annual Confidential Reporting system should be maintained and run concurrently with the Performance Appraisal Report; and (b) the date at which the Performance Appraisal System would come into use for Human Resource purposes other than training and development.

11.50 We give, hereunder, a tentative calendar for the implementation of Performance Management and its alignment with HR practices.

No.	Actions	Date
1.	Implementation of PMS in all Ministries	December 2009
2.	Draft Revised form for reporting to PSC for promotion	June 2009
3.	Use of Revised forms for reporting to PSC	2010
4.	Last year of reporting under Confidential Report	2011
5.	Performance Management link to training	(As and when competency gaps revealed)
6.	Capability Report	December 2008 and every six months thereafter
7.	Rolling out PMS to Parastatal Bodies and Local Authorities	June 2010
8.	Report on the Status of PMS to Steering Committee	Six months period starting December 2008
9.	Increment/bonus link to performance under PMS	2011 or earlier for organisations that have already implemented PMS successfully
10.	Grant of additional increments/lump sum for outstanding performance	2011 or earlier as above
11.	Offer of appointment to explicitly mention base salary as guaranteed pay and movement in scale subject to performance	All future appointments and promotions – July 2008

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## 12. TRAINING AND STAFF DEVELOPMENT

- 12.1 A pertinent human resource challenge of a modern and responsive Civil Service is to ensure that it is manned, at all times and at all levels, by the most suitable persons with appropriate skills, competencies and attitude. While effective recruitment and promotion strategies can provide a partial solution to that challenge, training and staff development are two key aspects of human resource management that can guarantee the other part of the solution.
- 12.2 To affirm its commitment to training as an effective tool for enhancing organisational performance and professional development, the Government has, in its 2005-2010 Programme, announced the setting up of a Civil Service College as a national body to be responsible for training and to, *inter alia*, be a learning resource centre for public officers; serve as a centre of excellence in training techniques and trainer development; coordinate departmental training initiatives; and interface with training institutions abroad.
- 12.3 To reinforce the training and development function, the Bureau, in its 2003 PRB Report, provided for the necessary institutional arrangements and made a series of appropriate recommendations. These include the provision of training to every officer for at least 40 hours annually and for training to be based on needs identified to support the Administrative Reforms efforts and to help achieve continuous improvement.
- 12.4 With a view to assessing the effectiveness of our 2003 recommendations, addressing reported inadequacies and formulating appropriate policies, a survey on the subject was conducted in 2007. Chief Executives were invited to provide information, through a mail questionnaire, on the commitment of their organisations to training; the training needs identified and the training provided; the funds disbursed on training; and the extent to which monitoring and evaluation of training was carried out.
- 12.5 Out of the 152 questionnaires issued, 79 were returned, giving an overall response rate of 52%. The survey results were also supplemented from inputs submitted by the Ministry of Civil Service and Administrative Reforms (MCSAR).

### Findings and Analysis

- 12.6 The main findings of the survey are as follows:
- Of the organisations which responded, 53% (42) were from the Civil Service, 41% (32) were Parastatal Bodies and 6% (5) were from the Local Authorities
  - Some 45% of organisations had a formal training plan for all staff

- Since 1 July 2003, some 80% of the organisations have identified their training needs
- Sixty seven per cent (67%) of those responding were providing induction courses to new recruits while 56% of them were providing training in Customer Care to those staff who had a direct contact with the public
- About 60% of organisations were able to offer training in management to technical/professional staff
- Some 65 % of organisations were able to provide 40 hours of training or more annually though not for all the grades
- Half of the number of organisations responding were in favour of recommending more than 40 hours of training annually, for each employee. An average of 70 hours of training was proposed
- Employees were encouraged to take training by Distance Learning Mode as reported by 60% of the organisations
- Employees, who were sponsored to follow courses, were imparting the knowledge acquired to other employees as indicated by 70% of the organisations
- A majority of organisations (70%) have requested for an increase in their training budget
- The expenditure on training as a percentage of salary bill varied significantly between organisations ranging from less than 1% to 6.6%
- Half of the number of organisations stated that they were monitoring the overall ongoing training and development programmes
- Most of the organisations (92%) kept individual records of all courses/seminars/conferences attended by staff
- Only a third of the organisations surveyed were evaluating the effectiveness of training and development courses attended by employees. This was done using assessment sheets completed by participants at the end of the course. But practically no evaluation of the relationship between training dispensed and actual staff performance and delivery was conducted

12.7 The MCSAR has reported that up to now around 11,500 officers including those from the Administrative Cadre, General Services, Fire Services, Education Sector as well as minor grades have benefited from training courses and programmes. Training was dispensed by way of in-house courses (Induction/Foundation or Refresher courses), sponsorship for award courses conducted locally and through Distance Learning mode and scholarships under different schemes. Moreover, the MCSAR in collaboration with ITEC consultants from India have provided assistance to Ministries and Departments in carrying out their respective Training Needs Assessment.

- 12.8 It is to be noted that one of the objectives of Performance Appraisal Scheme which is being implemented across the Public Service in the context of Performance Management System (PMS) is to link training and development of employees with organisational needs and objectives. Moreover, with the advent of the Programme Based Budgeting (PBB) in the Public Sector, and the emphasis on cost optimisation, the importance of the application of competencies and skills in service delivery is becoming more pertinent. These linkages, evidently, call for the identification of the particular skills and competencies vital to organisations and their individual employees – hence the need for a framework for such skills and competencies to be acquired and developed.

### **Conclusions**

- 12.9 In the light of the foregoing, we have carefully examined the importance of training and staff development. In making our recommendations, we have paid particular attention to: the strategic relevance of training and retraining in organisational efforts to build the required skills and competencies and the inculcation of the appropriate attitudes and mindset; the implementation of the PMS which would establish clearer linkages between the objectives of organisations and the training needs; the introduction of the PBB that calls for efficiency; and the reported shortcomings in the training and development functions, as revealed by the Survey Findings, to improve customer responsiveness.
- 12.10 We are, consequently, in this Report, emphasising on the strategic content of training; the need for organisations to align their training needs on the competencies required to produce accomplishments that are linked to expected results; and the need to provide for an increase in the budget outlay over time. We are equally clarifying the roles and responsibilities of the different parties involved on the issue of training and development from planning and provision to acquisition.

### **Strategic Content**

- 12.11 To be of relevance in this global environment, the strategic content of training and development should, as a matter of policy, be directly related to the new role of the state i.e. that of a proactive facilitator and an agent of social change. It should also relate to the key functions of the civil service which include developing creative and strategic policies; designing and delivering services either directly or in partnership to meet public needs; and using public money efficiently while respecting the values of integrity, impartiality, honesty and objectivity.
- 12.12 It follows from this relationship that training and development would have to cater for specific, generic, technical and behavioural competencies. These may range from the ability to come up with implementable and viable strategic policies to the capacity to execute such policies. They would include negotiating skills and proactive diplomacy at the highest level of the state, leadership ability



for inspiring team to project executions, and front line competencies relating to the requirements of customer responsiveness.

- 12.13 At the organisation level, the content of training should necessarily be dictated by those requirements in terms of competencies and attitudes needed to produce output and accomplishments which are aligned to programme objectives under the PBB or to those objectives cascaded down from the mission of the organisation under the Performance Management Framework.
- 12.14 The Performance Management Guidelines of the Civil Service contains some 20 generic competencies, several of which cut across different organisations. In the context of the implementation of Performance Management, organisations have to select only those competencies that are relevant and crucial to them, identify new ones, if any, and rank them in order of importance. This would give both employees and supervisors clarity as regards the competencies required for present and future positions. The training needs should then be updated by those competencies and attitude gaps revealed during performance reviews for training and development purposes.
- 12.15 What drives customer satisfaction, both internal and external, contains yet another important lesson as regards the strategic content of training and development. Customers are generally satisfied when staff provide timely services; are knowledgeable and competent; are courteous/go the extra mile; ensure that customers get what they need; and treat them fairly.
- 12.16 It is obvious from these drivers of satisfaction that skill or technical competency alone is not sufficient to satisfy the customers. An officer can be extremely competent technically but may not deliver behaviourally in the workplace. The challenges call for both a new toolset and a new mindset. There is, therefore, a strong case for training and development to be competency based - both technical and behavioural and to bring about the right mindset and attitudes. We are recommending accordingly.

### **Recommendation 1**

#### **12.17 We recommend that:**

- (i) **the strategic content of training and development should be based on the acquisition and improvement of both technical and behavioural competencies as well as on the inculcation of the right mindset and attitudes with a view to developing the capacity of public officers for a range of responsibilities including formulating and implementing strategic policies, higher standards of delivery for a customer-oriented service, handling new responsibilities, and adapting to new technologies and new working techniques, methods and processes;**

- (ii) **training programmes should be designed based on training needs assessment carried out by Ministries/Departments and be regularly updated on the basis of competency gaps and behavioural weaknesses identified during performance reviews;**
- (iii) **training which may include acquisition of the relevant knowledge and use of appropriate tools should essentially be work-related and aim towards improvement in performance and quality of the service and the way the service is offered both to internal and external stakeholders;**
- (iv) **training courses in people management skills should be provided to officers in positions with staff responsibilities;**
- (v) **necessary training in customer care should be given to all officers having an interface with customers so that they can assume their responsibilities towards them;**
- (vi) **development programmes combining leadership, change management, strategic planning and interpersonal skills should be mounted for key management and leadership positions across cadres. Such programmes should also be aimed at developing those officers irrespective of the cadre they belong, who have shown the knowledge, attributes, personality traits and abilities/skills/competencies either in terms of potential or in a demonstrated manner i.e. behaviourally to assume senior positions in the future in line with the “Leadership Capability Profile” described at Chapter 13.**

### **Training Methods**

- 12.18 An effective training and development method ensures that knowledge, skills and behaviours learned in training are readily applied in the workplace, leading to improved performance. It has been observed that public sector organisations tend to use on-the-job or off-the-job or a combination of both methods to impart training to their employees.
- 12.19 The majority of organisations responding to the survey indicated that though informal or on-the-job training was the principal means of training, employees tend to have an inclination for formal training away from their desks. The survey also revealed that some 60% of the organisations were also encouraging employees to go for training by the distance learning mode. In very few instances, officers were sent abroad to acquire specialised training.

12.20 We hold the view that training should be close to its application, be consistent with the organisation's value system, be integrated in the work processes and operations and should generally aim at improving aptitudes and attitudes for service delivery. On-the-job training satisfies all these criteria. The basic philosophy behind is that employees learn through observing colleagues/superiors performing the job and repeating/improving upon their behaviour. Such training together with proper coaching and mentoring by an able supervisor and a willingness to learn at every opportunity by the officer can improve abilities and delivery multifold. Nevertheless, formal training and distance learning methods also remain popular options which need not be neglected.

## **Recommendation 2**

**12.21 We recommend that organisations should:**

- (i) accord a priority to on-the-job training for the upskilling of their employees. This should not preclude organisations from adopting a combination of formal training programmes away from desks, on-the-job training and self managed learning to suit their prevailing circumstances;**
- (ii) take advantage of the improvement in networking among government departments and the general availability of personal computers among public officers to promote on-line learning; and**
- (iii) make use, where feasible, of distance learning methods either through print media or electronic media to make training available at convenient times, at accessible places or at reduced costs. It should, as far as possible, be combined with traditional training methods to avoid a sense of isolation of the trainee.**

## **Training Extent**

12.22 While several organisations have been able to meet the target of 40 hours training annually for all staff, a few have yet to achieve it especially for officers in the lower echelons of the Public Service. However, half of the organisations which responded to our survey were in favour of more than 40 hours of training annually for every employee.

12.23 It was found that the varying circumstances of organisations greatly influenced the extent and type of training an officer could expect. We hold the view that it would be desirable for organisations to move in the direction of international norms which suggest an increase in the number of hours of training dispensed. This movement would, of course, be guided by training needs, costs and operational considerations.

**Recommendation 3**

**12.24 We recommend that Head of Organisations should ensure that their staff are provided with a minimum number of hours of relevant work related training annually as shown indicatively in the table below and in line with the provisions of paragraph 12.17 above. Special efforts should be made for the provision of the required training to grades in the lower echelons taking into account the need to establish a performance culture.**

Grades	Indicative Number of Training hours per year
Minor	40
Clerical, Executive and Technical	45
Administrative, Professional and above	60

**12.25 We also recommend that the amount of training hours provided annually to an officer, including courses completed, should be recorded in the officer’s training record.**

**Training and Development Database**

12.26 As indicated by the survey results, 92% of organisations kept records of courses/seminars attended by staff. However, no records were kept for on-the-job training provided. Moreover, it was also found that very few of the organisations maintained such records in a database. This restrains the systematic and regular examination of training trends and patterns within organisations – an important requirement for focus intervention.

**Recommendation 4**

**12.27 We recommend that:**

- (i) every Ministry/Department/Organisation should maintain a training and development database containing information on training needs identified by management/individual members of staff as well as ways and means of meeting those needs. The database should also include a record of all the training activities including on-the-job training performed by the Ministry/Department/Organisation and the details on individual officers such as courses attended and qualifications possessed and their experience pathways;
- (ii) each organisation should ensure through its Chief Information Officer that the training and development database is established and/or regularly updated; and

- (iii) **MCSAR may consider the advisability of preparing a common template for use by Ministry/Department/Organisation for the above purposes to facilitate analysis and action.**

### **Training and Staff Development Budget**

- 12.28 Each Ministry/Department is responsible for the training and development of its staff and has an annual training budget that is used to provide in-house and/or external training.
- 12.29 Seventy percent (70%) of organisations responding to the survey reported that the budget allocated for Training and Staff Development was hardly sufficient. The data collected showed that expenditure on training as a percentage of salary bill varied significantly among organisations ranging from less than 1% to around 6.6%. On the whole it is noted that the total outlay on training represented only 0.25% of total salary bill, a figure considered very low by international norms. On the other hand, Private Sector firms are required by virtue of the law to contribute 1% of their salary bill to a levy managed by the IVTB for training purposes. While it is understood that training budgets are normally among the first casualties during hard economic times, it is but normal to expect a reversal when the economy picks up.

### **Recommendation 5**

- 12.30 **We recommend that subject to practicability and availability of funds, the budget of training should be increased up to around 1% of the salary bill in the coming, say, three to four years.**
- 12.31 **We additionally recommend that organisations should:**
- (i) **invest prudently the resources devoted to training and development to ensure that current and future needs are adequately addressed and that value for public money is obtained; and**
  - (ii) **customise their training and development expenditure to the individual staff development needs for improved organisation performance and customer responsiveness.**

### **Monitoring and Evaluation of Training**

- 12.32 Survey responses showed that monitoring of training and development is done by half of the organisations. However, for a third of the organisations that responded, evaluation is limited to using assessment sheets at the end of the training session. In our view, evaluation should be conducted one to two months after training to see whether training dispensed is being transferred behaviourally in organisations and the extent to which quality of output/service is improved.

## **Recommendation 6**

### **12.33 We recommend that:**

- (i) the MCSAR should monitor and evaluate training courses it provides to its staff as well as to staff of other Ministries/Departments through a systematic assessment of competencies and performance before and after training, in addition to the evaluation using assessment sheets at the end of the training session; and**
- (ii) both the trainee and management should monitor and evaluate the impact of ongoing/completed training and development programmes on a regular basis, and take necessary corrective actions for the benefits of customers both internal and external.**

## **Role of Organisations**

12.34 The organisation plays a primordial role in catalysing the desired outcome of any training programme. It has to establish the link between its objectives and the training and development needs of its staff. When discrepancies between what is planned for ideal and actual performances are identified by organisations and when such gaps can be attributed to want of skill/competency, corrective actions in the form of training activities have to be undertaken. Training planning or replanning becomes important at this stage.

## **Recommendation 7**

### **12.35 We recommend that organisations should:**

- (i) ensure that training is based on needs identified and take into account outputs and accomplishments that have to be delivered in line with goals and to meet objectives;**
- (ii) make use of the appraisal under the Performance Management System to identify competency and attitude gaps, if any, that might stand in the way of good performance and update their initial training needs based on the competency and other attitude gaps;**
- (iii) provide employees with the necessary feedback on the desirable competencies, attitudes and mindset that are appropriate to their current role and necessary for their future personal development;**
- (iv) facilitate the process for individuals to acquire the required competencies and attributes for improved performance;**
- (v) be responsible to come up with a training plan and mount such in-house formal service training that can be reasonably done at the level of organisation in line with the provisions concerning strategic content of training spelt out at Recommendation 1;**

- (vi) forward those identified training needs that cannot be dealt with at their level to the MCSAR together with such details as the grades and number of officers concerned;
- (vii) create such environment as may be appropriate to ease the obtention of additional qualifications required to cross Qualification Bar (QB) or for appointment or promotion; and
- (viii) expedite the setting up of the training committee, unless this has already been done, and submit the details of its composition to the MCSAR.

**12.36** We also recommend that in order to inculcate a culture of learning organisations, management including supervisors at all levels should create an enabling environment and give such directions or advice for officers to use every opportunity to learn on or off-the-job through work practices, assignments or participation in special projects and to follow courses or lessons through distance learning as provided at Recommendation 2.

#### **Responsibility of the Employee**

**12.37** The ultimate beneficiary of any training programme is the employee. All organisational efforts and resources mobilised from the identification to the provision of training would be futile if there is no readiness/motivation on the part of the employee to take up training and if no transfer of skills occurs either behaviourally or technically to the workplace.

**12.38** From our viewpoint, every employee is expected to take an active role in his/her personal training and development and always stay ahead of expectations rather than relying on a static knowledge base or remain in wait of a formal training away from their desks - the moreso, to develop his/her capacity for taking over a range of responsibilities which contribute in fostering development.

#### **Recommendation 8**

**12.39** We recommend that employees at all levels should increasingly take a proactive role in their own professional development, assuming responsibility for continuous learning to improve their performances behaviourally and technically. They should use every opportunity to learn on or off-the-job through work practices, assignments or participation in special projects or to subscribe to learning through distance learning methods as provided at Recommendation 2.

### **Role of the Ministry of Civil Service and Administrative Reforms**

- 12.40 The MCSAR is responsible for training and staff development, particularly for officers of the General Services Cadre. However, it also assists other Ministries/ Departments in mounting and conducting technical and general training programmes that cut across the Civil Service.
- 12.41 As part of its reforms programme, the Ministry intends to develop a structured monitoring and evaluation system to enhance Civil Service performance. The system would contribute to the periodic assessment and analysis of progress achieved towards objective and allow for feedback to facilitate policy formulation and decision-making. Moreover, in the context of training and staff development, the MCSAR has set the objectives of ensuring a fully capacitated Civil Service that would drive the nation's development and service delivery agenda.

### **Recommendation 9**

- 12.42 We recommend that the MCSAR should ensure that organisations adopt a systematic approach to training with their training needs assessed, the design of their training based on the strategic content recommended at paragraph 12.17 and monitoring and evaluation of training activities done.**

### **Training and Staff Development**

- 12.43 By virtue of their schemes of service, certain grades are required to perform prosecution duties. There is widespread concern among staff in those grades that they are not being adequately trained in prosecution matters. In order to enable the officers to deliver effectively, there is need that such courses be provided to them.

### **Recommendation 10**

- 12.44 We recommend that the MCSAR should, in collaboration with concerned Ministries and through the assistance of the State Law Office, mount short training courses in prosecution matters for those officers who perform prosecution duties.**

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### 13. LEADERSHIP CAPABILITY FRAMEWORK

- 13.1 To better achieve their mandates, organisations are in constant search of quality leaders with vision to shape directions, structures, systems and culture. Such potential leaders are also required to have the ability to influence positively the attitude and career of their staff. Organisations are thus not only focusing more and more on building the capability of leaders/managers through coaching and mentoring programmes but more importantly on attracting and hiring talented resources with appropriate leadership capability profile especially, at senior management level.
- 13.2 A number of Commonwealth countries have already taken initiatives in acquiring the services of talented resources with such new profiles to operate at senior management level. An important initial focus for the initiatives is building a pool of talented managers of the required quality, profile and diversity to match the current and future needs of a dynamic Public Service.
- 13.3 To that end, countries like New Zealand have identified and developed those required pertinent qualities in consultation with a number of departments. These are embodied in a Leadership Capability Profile, which provides a basis for organisation capability, planning and for strengthening senior management.
- 13.4 We hold the view, like other Service Commissions, that leadership is not a stand-alone concept but exists alongside **accountable management**. Leaders should understand business, manage an inclusive and 'tidy organisation' and have the confidence to embrace and lead change. Their work should be built upon integrity, fairness, honesty and accountability. They are expected to improve their skills, continuously learn from experience and lift the performance of the Public Service to deliver outcomes.
- 13.5 In the face of the fast-paced and competitive environment and the changing technologies, the Bureau considers it essential that Public Service organisations, as elsewhere, need to have talented Managers/Leaders who can achieve results by:
- demonstrating high ethical standards and shared values
  - performing efficiently by doing the right things at the right time and in the right way
  - capitalising on technology and investing in the future
  - encouraging initiative, innovation and collaboration

13.6 For the successful implementation of the qualitative reform initiatives undertaken by Government, the Public Service has an important role, and has to be led by a pool of talented leaders at management level. To choose the right person either for grooming or for leading organisations, the Leadership Capability Profile (LCP) model developed and owned by the New Zealand Service Commission can be a very useful guide. In that regard, we have slightly amended the model, which is reproduced hereunder to suit the local circumstances.



13.7 It is evident from the profile that aspirant leaders have to possess specified personal attributes, and through depth and breadth of pathways and experiences, are required to develop and apply leadership abilities to focus on and deliver results for the country. It is noted that:

- (i) leaders are expected to strengthen people and culture and lead organisations with a focus on results for the community;
- (ii) the personal attributes that leaders and potential leaders must possess include an agile mind, energy and drive, integrity and loyalty and the ability to connect with people and stay committed;
- (iii) the depth and breadth of pathways and experiences include the Public Sector, the Private Sector, Overseas experience as well as participation in stretch assignments and special projects; and
- (iv) leaders have to lead with integrity, manage with prudence and walk with respect for the achievement of positive outcomes.

- 13.8 This profile which the Bureau considers to be suitable for the Public Service can gainfully be used for several purposes, namely to:
- (i) provide appropriate transparent guidelines for all recruiting agencies of the Public Service in the selection of a diverse pool of talents;
  - (ii) assist management in developing capacity building programmes for the making of potential leaders who can inspire and bring necessary changes; and
  - (iii) stimulate and guide aspirant leaders/young professionals to develop their potential and motivate them to be among the best for leadership roles.

**Recommendation**

**13.9 The Bureau, therefore, recommends that the Ministry of Civil Service and Administrative Reforms, the Service Commissions and other recruiting authorities adopt this Leadership Capability Framework model as a transparent standard to clarify leadership requirements, attributes and roles. Evidently, the framework may need to be reviewed on a regular basis for updating and ongoing relevance.**

13.10 The adoption and dissemination of the Leadership Capability Framework has the merit of giving a clear signal to public officers and potential recruits of the requirements of and expectations from today's public leaders. It can also serve as a useful basis for recruitment, selection, training and development of potential leaders.

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*The Secret of happiness is not doing what one likes  
but in liking what one likes to do*

## **14. PERFORMANCE RELATED REWARD**

- 14.1 An overall salary review aims principally at providing a compensation package attractive enough to boost employee morale; improve efficiency and the delivery mechanism in the public sector; and reward additionally meritorious performance. This requires a shift from the conventional salary structure to a performance related model.
- 14.2 A Performance Related Reward (PRR) Scheme incorporated in the compensation package provides a framework for an incentive payment over and above the normal salary. It is high time to make provisions for such initiative.
- 14.3 Performance Related Pay/Reward has been defined in Organisation for Economic Co-operation Development (OECD) literature as “the variable part of pay which is awarded each year (or on any other periodic basis) depending on performance.” It is awarded after individual/group performance is measured against preset and mutually agreed upon goals for a given period of assessment. It is non-additive and non-accumulative. It is based on the principle of differential rewards for differential performance. PRR systems are applied at the individual employee level and at the team/group level.
- 14.4 For the purpose of PRR, performance is defined as a measure of effective service delivery and responsiveness to stakeholders, and of the ability to use resources to achieve the desired outputs and outcomes. It marks the shift from inputs – process emphasis (efficiency) to results - social goals and outcomes (effectiveness). It reflects the final deliverables to the user/stakeholder.
- 14.5 Under the PRR scheme, people are rewarded differently according to their performance on the grounds that those who perform well should be better rewarded than those who perform less well. Assessment is based on the employee’s merits and his contribution to performance or on the basis of an appraisal of the employee’s performance against previously set objectives usually part of the performance management system.
- 14.6 The PRR system is more likely to improve individual motivation and can help the organisation attract and retain talents. In any case, it gives a clear signal of change for public employees and is a way of indicating to the citizens that performance is regularly assessed in the public administration and employees are accountable for delivery/non-delivery of services. A well designed PRR sets also the basis for structural changes and evolution of a new work culture, and most importantly, it may improve efficiency and service delivery without placing any additional financial burden through more efficient use of the available resources.

- 14.7 Most of the OECD countries have adopted the PRR systems. However, each of these countries has designed the system to best serve its particular needs. Germany, Italy, Spain, USA have introduced the system by law; UK implements the PRR through negotiations between Cabinet Office and HM Treasury while Denmark through collective agreement. Irrespective of the methodologies used to put the system in place, the countries are focusing on developing systematic policies to address the problem of under-performance by relying on strong incentives/rewards to promote good performance.
- 14.8 The forms of rewards vary from country to country. Canada, Germany, Korea, New Zealand, Switzerland, UK and USA grant both bonuses and merit increments as a performance related pay. France and Italy restrict payment to bonuses only while Singapore offers a combination of bonus and merit increments to reward performance, and a special bonus in times of exceptional country's economic performance. Rate of increments varies from 3% to 20% and that of bonus may be as high as 100% of monthly pay.
- 14.9 The payment of performance related bonus/increments is not a new concept in the Mauritian public sector. In the 2003 PRB Report, following a survey carried out in public sector organisations, a series of recommendations were made on PRR and its implementation was staged. For immediate implementation, we recommended, among others, that increments provided in scales should only be awarded after taking into consideration efficiency, diligence and commitment including availability and regularity at work. For deferred implementation, we recommended the setting up of a Standing Committee on Rewards to examine and consider schemes submitted by organisations and to submit proposals to the high level Performance Management Monitoring Committee for approval.
- 14.10 We also recommended that a Public Sector organisation may formulate proposals for PRR to the Ministry of Civil Service and Administrative Reforms (MCSAR) for consideration by the Reward Committee only after:
- (a) *It has already introduced successfully a Performance Management System (PMS) 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.*

- 14.11 The recommendations related to PRR, linking pay to a measure of performance have not been implemented up to now. This is due to the fact that PMS has not yet been put in place and as such, there is no reliable mechanism to measure organisational, team or individual performance.
- 14.12 At present, employees are paid according to the salary scale for the grade. They move incrementally in the scale. Employees are not entitled to any increment as of right but only with the approval of the Responsible/Supervising Officer when their work and conduct have been satisfactory. However, only in rare cases of default or through strict application of regulations, increments have been stopped, withheld or deferred. In all other cases, the Responsible/Supervising Officers, invariably, allow every officer on pay scales to progress incrementally. Employees view the annual increment as guaranteed, automatic and of right.
- 14.13 The employees play an important role in improving organisational performance and by extension the performance of the Government. They can vary their effort, their co-operation with colleagues and management, and their contribution to improving the effectiveness of their inputs. In such a situation, mechanisms are needed to ensure that workers are motivated to undertake their work in a manner congruent with the interests of the organisation.
- 14.14 An incentive scheme provide the answer. It can reward for individual or group output. It induces desirable behaviour and attitude. It helps encourage commitment of workers, reinforce existing culture and values where these foster high levels of performance, innovation and team work. Linking pay to performance also potentially introduces equity and consistency in the pay structure and enables the organisation to attract more able workers.
- 14.15 The PRR even fits within the Programme Based Budgeting, Performance Management System, and Management Development Programmes currently underway in the public sector. These have systematically incorporated performance objectives and indicators into human resource management and budgeting processes. It remains to make pay flexibility an integral part of these systems. Models of PRR largely depend on the Civil Service Performance Management System, the Pay Determination System and the degree of centralisation or delegation in financial and HR Management.
- 14.16 Nevertheless, there are arguments in related literature that PRR may not be an effective motivator, particularly when there is a problem in measuring performance as the system may become partial, inequitable, discriminatory,

subjective and prejudicial to team work. Further, PRR as such may be very difficult to manage as it is largely dependent on properly trained Supervisors, Managers, explicit guidelines, as well as established Performance Management including performance measurement system.

- 14.17 In anticipation to these shortcomings, we have, in Chapter 11 on “Synergising Performance Management and Programme Based Budgeting and Making them Work”, set mechanisms for developing reliable methods to measure performance and contribution. We have emphasised on capability building through training particularly in the crucial skills of agreeing targets and managing performance fairly and consistently. We have argued that the introduction of PMS in the Public Sector is no longer a choice for management as it is part of normal management and that contingent pay would have to be tied to performance.
- 14.18 While a few officers still have doubt on their capacity to implement PRR immediately, several Chief Executives would wish its early implementation. In general, parties recognise the need to reward better performance differently on the conditions that fair and consistent means are available for measuring or assessing performance, competence or skills; and people know what they will get if they achieve targets or standards and can track their performance against them.
- 14.19 At this stage, while we consider that organisations which are not ready, should not rush into PRR, we cannot further delay to relate reward to performance in respect of organisations which are ready or would be ready shortly. We are, in the light of the foregoing, making PRR part of a continuum of pay systems aimed at encouraging greater inputs by workers into the output process. We are, therefore, providing to reward extraordinary contributions (beyond the call of duty) by cash bonuses or other incentives, where measurement can be validated; making pay progression in salary scales more flexible subject to standards of performance and providing cash bonuses or other incentives in cases of exceptional achievements to officers who have reached the top of pay bracket or are on flat salary.
- 14.20 To induce the desired reforms, we have equally provided for the grant of bonus to be linked to successful implementation of Performance Management, Programme Based Budgeting and ISO Certification. In addition, conscious of the fact that specific PRR Scheme may have to be designed for different organisations to induce the desired results, we have also provided the institutional arrangements to consider and approve reward schemes that would be submitted for implementation.

## Recommendation 1

14.21 We recommend that:

- (i) Increments provided in salary scales attached to the various grades should, subject to sub paragraph (iii) below, be awarded, taking into consideration performance, conduct and behaviour, efficiency, diligence including availability and regularity at work.
- (ii) No increment shall be earned in case an officer is unfavourably reported upon on any of the grounds specified at (i) above.
- (iii) As from a date to be determined by the High Powered Committee, performance and efficiency shall mean achievement of the relevant standard set under the Performance Management Scheme.
- (iv) In areas of scarcity where few officers have to share additional workload and responsibility within a tight time frame due to acute manning problem, payment of *ad hoc* allowances for a specified duration can be resorted to.
- (v) Payment of acting/responsibility allowance for shouldering higher responsibilities should continue as at present as recommended in the Chapter on Acting and Responsibility Allowance of this Report.
- (vi) Payment of *ad hoc* allowances should continue for specific assignments or projects as recommended at Chapter 18.7 of this Volume.

## Recommendation 2

14.22 We recommend, subject to the provisions of paragraphs 14.25 and 14.27, that as from financial year July 2010 when both Performance Management and Programme Based Budgeting have become fully operational, the payment of an annual bonus:

- (i) equivalent to one week salary for every one percentage point fall in the ratio of Pay to GDP, which is being set at around 7.5%;
- (ii) equivalent to one week salary in respect of an organisation that has successfully implemented PMS and has sustained it for over the preceding period of two years; and has met the targets set in respect of Programme Based Budgeting for the same period; and
- (iii) equivalent to three days' pay in respect of an organisation/section, which has been ISO certified and has maintained the ISO standards for the preceding period of two years;



The above recommendation which would apply exclusively to employees who have individually performed to the satisfaction of Management shall be applicable pro-rata to employees who have worked for only part of the time during the two years required to earn the full bonus.

**14.23** We also recommend, subject to the provisions of paragraphs 14.25 and 14.27, that as from financial year 2011-2012:

- (i) increments may be granted three months earlier for employees who perform beyond the acceptable standards consistently for a period of one year and nine months;
- (ii) more than one increment may be granted at a go, say two increments, for continuous outstanding performance for three consecutive years; and
- (iii) officers other than Chief Executives, drawing top salaries or flat salaries may be granted a lump sum of up to a maximum of two weeks' salary (in the initial years of the scheme) for continuous outstanding performance for more than two years.

**14.24** We further recommend that, in future:

- (a) all letters of offer of appointment shall explicitly mention that (i) the guaranteed salary shall be the initial of the scale and that annual incremental increase shall be a variable component which shall be based on overall performance and has to be earned; and (ii) employees would be required to regularly submit a self-appraisal report on their performance in their key-result areas;
- (b) Chief Executives of Organisations may be required to agree to certain outputs and outcomes under a performance contract. Outstanding performance based upon measurable indicators shall be rewarded and consistent failure may be sanctioned; and
- (c) either monetary or non-monetary reward may be granted to exceptionally performing teams or individual employees, who have excelled well beyond the call of duty, subject to the approval of the Standing Committee on Remuneration and the High Powered Committee.

**Recommendation 3**

- 14.25** We are maintaining the Standing Committee on Performance/Productivity Related Reward set up under the chairmanship of the MCSAR and comprising representatives of the Ministry of Finance and Economic Development (MOFED) and the Pay Research Bureau to examine and consider Performance/Productivity Related Reward proposals submitted by organisations, among others, under the provisions of paragraphs 14.22 and 14.23 and to make appropriate recommendations.
- 14.26** We recommend that the Standing Committee on PRR may co-opt such representatives of Management and the staff side, as it deemed appropriate, for the determination of a case before submitting same to the High Powered Committee for approval.
- 14.27** We, additionally, recommend that the High Powered Committee may consider the advisability of advancing or deferring the implementation of the recommendation at paragraphs 14.22 and 14.23 in specific circumstances.
- 14.28** We also recommend that exceptional performance well beyond the call of duty, provided for at 14.24 above, can be rewarded by instant gratification say in a case where the contributions have had or can have a major and tangible impact on the organisation or society at large. A significant non-monetary benefit could be in the form of an earlier enjoyment of a benefit that would accrue in the future e.g. an officer who would be entitled to a duty free at the age of 52 could be granted same earlier.

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*A pessimist finds a difficulty in every opportunity.*

*An optimist finds an opportunity in every difficulty.*

## **15. PUBLIC SECTOR COMPUTERISATION**

- 15.1 The harnessing of Information and Communication Technologies (ICT) is considered pivotal to modern civil administration. The design and development of new information and communications systems is seen as an essential component in Public Sector Reforms.
- 15.2 Computerisation in the Mauritian Public Service started in the late eighties with the creation (under the aegis of the Ministry of Finance and Economic Development) of the IT institutions, namely the National Computer Board (NCB), the Central Informatics Bureau (CIB), the Central Information Systems Division (CISD) the former State Informatics Training Centre (SITRAC) taken over by the University of Technology, and the State Informatics Limited (SIL). The Public Sector Computerisation was given a major boost in 1997 with the creation of the Ministry of Information Technology. Government's vision to make Mauritius a cyber island with the assistance of the Indian Government was a further kick in the computerisation process of both the Public and Private Sectors.
- 15.3 Today, computerisation is seen as one of the key strategies for successful Public Sector Reforms. It impacts directly on organisation structures, work processes, and qualitative service delivery. In broad terms, it refers to the use of ICT by organisations to achieve effectively their operational goals in less time and at reduced costs. Therefore, one of the main challenges for the Mauritian Public Service is the optimum harnessing of ICT to speed up the administrative processes, join-up fragmented services and interact with its stakeholders.

### **Government's Policies in the ICT Sector**

- 15.4 The Ministry of Information Technology and Telecommunications (MITT) is responsible for the formulation and implementation of Government's policies in the ICT sector through its two executive arms – the CIB and the CISD – and the National Computer Board (NCB) - a Parastatal Body. The Information and Communication Technologies Authority (ICTA) is the regulatory body for the ICT sector.
- 15.5 To realise Government's vision to make the ICT sector the fifth pillar of the economy and Mauritius a regional ICT hub, the MITT has elaborated the National ICT Strategic Plan 2007-2011 (NICTS Plan). This plan aims at developing an enabling environment for harnessing of ICT to generate employment, create new opportunities for the socio-economic development and hence improve the quality of life in Mauritius. For the Public Sector, the Government views ICT as a tool to enhance processes and information flow, and to provide e-services for disseminating valuable information to the public and interacting with them. The NICTS Plan paves the way for further development of the sector and for rendering e-government more efficient and effective by improving public service delivery to the citizens, the businesses and other Government entities in a manner that is most convenient to them.

- 15.6 As at to date, ICT has gained ground in practically all segments of the Public Service. More than 60 major multi-user systems have been implemented and are operational in the Civil Service including the PAYE system, the Treasury System, the Electoral System, Digital Court Recording System, Computerised Audit System, Public and Disciplined Forces Service Commissions Systems, Automatic Fingerprint Identification System, Police GPS System, Crime Record Office System, Customs Tradenet System, Registrar-General and Registry of Companies Systems, Social Security Contributory Benefits and Pension Systems, Integrated Hospital and Patient System at Nehru Hospital, Unallocated Stores System, and the Passport and Immigration System.
- 15.7 It is to be noted that a number of these systems have been customised and implemented by State Informatics Limited (Mauritius) in a number of countries on the African mainland e.g. the Pension System in Burundi, Zimbabwe and Zambia; the Register of Electors System in Botswana and Cameroon; and the Register of Companies System in Botswana.
- 15.8 Additionally, more than 60 Government services are now provided on-line. The provision of e-services is expected to increase gradually, and the growing rate of usage of ICT in the Public Service, particularly in Administration, Tourism, Agriculture, Health, Education, and Industry sectors, is expected to considerably improve service delivery.
- 15.9 Nevertheless, the implementation of computerisation and related e-government projects in the Public Sector are delayed on account of several impediments. While, there is lesser commitment on the part of certain senior officers/managers and shortage of IT skills, there are also other deficiencies including non-availability of centralised databases, poor connectivity and poor maintenance of IT infrastructure as well as weakness in effective inter-departmental coordination.
- 15.10 Several of these impediments are, however, being overcome by stimulating the desired impetus for increased adoption and usage of ICT and by appropriate training at different levels. To derive maximum benefits from the use of ICT, there is need for Ministries and Departments to, *inter alia*, shift from computerisation of isolated applications to networking systems and service innovation. It is equally essential to be e-ready, in terms of infrastructure and capability, fix milestones for each step of every e-activity and to set monitoring mechanism to ensure completion within the set time frame. Moreover, the NICTS Plan 2007-2011 published in year 2007 provides for five Strategic Thrust areas, namely:
- undertaking **Support** measures with appropriate legal, institutional and infrastructural changes with effective monitoring and evaluation mechanisms

- **catalysing** economic activities in critical sectors of the economy
- **accelerating** ICT adoption in the society
- taking up **Leadership** role in the region
- **emerging** as a global point of reference for offshore services

15.11 The Plan also provides for the execution, monitoring and supervision of all ICT initiatives and a three-tier Implementation Framework with at its apex a High-Level Inter-Ministerial Committee chaired by the Minister of MITT, at the second and third levels the Programme Committees and Taskforces and the Individual Organisation Project Committees.

15.12 Against this background, we are making supplementary recommendations to ensure the collaboration of public sector organisations with the three-tier Implementation Framework for the timely implementation of ICT projects and programmes, efficient and effective use of technologies, capacity building, and define roles of leading partners.

#### **Recommendation 1**

**15.13 We recommend that Responsible Officers of Ministries/Departments, with the collaboration of CIB and/or CISD, should:**

- (a) **undertake continuous evaluation of and regularly monitor the state of computerisation within their respective organisations;**
- (b) **identify the activities that have yet to be computerised and work out a short/medium term plan for their computerisation;**
- (c) **identify services that can be delivered electronically and establish a work plan for the provision of such services on line;**
- (d) **carry out regular customer surveys to obtain feedback on the services provided electronically and on the need to add on or take any remedial action regarding underutilised e-services; and**
- (e) **keep their stakeholders informed of e-services provided and seek citizens' inputs for improvement.**

#### **Principles of E-Government**

15.14 It is important for organisations during the conceptualisation and development of projects to be guided by certain principles of e-government internationally acknowledged as basis for successful implementation, namely the need to:

- (a) place the customer at the centre;
- (b) reinvent services and processes prior to automation;

- (c) focus on digital transactions between citizens and Government;
- (d) make Government applications interoperable with commercial ones;
- (e) promote access to information on the Internet;
- (f) respect the rights of citizens for information privacy;
- (g) allow online access to Government, wherever desirable; and
- (h) show resilience and learn from mistakes.

### **Horizontal Applications**

15.15 A number of systems developed is meant for implementation across the whole Public Sector. These systems, referred to as horizontal office computerisation programmes, include: the Registry System, the Personnel System and the Electronic Attendance System. Currently, the MCSAR is spearheading the implementation of these systems across the Civil Service. We are of the view that all these developed systems should be rolled out in all Ministries and Departments in the shortest delay.

### **Recommendation 2**

**15.16 We recommend that the MCSAR in collaboration with the Ministry of Information Technology and Telecommunications (MITT) should establish a plan for rolling out the Registry System, the Personnel System and the Electronic Attendance System in all remaining Ministries and Departments by the year 2010.**

### **Communication Strategies**

15.17 For a pervasive and effective e-government, there is need for appropriate data centres, connectivity and access infrastructures. The Government Intranet System (GINS) links all Ministries and Departments into a secure network around the Government On-Line Centre (GOC). All government organisations have been wired to GOC for internet access, e-mail, web hosting and provision of e-services. An e-government interoperability framework (e-GIF) has been elaborated to enhance the mechanism for exchange of information among various Ministries/Departments. The e-GIF provides for the establishment of metadata across the Civil Service to facilitate easy access to government information in a secured manner.

15.18 To further strengthen the electronic management of public services so that the emerging Public Service is e-ready to offer electronically deliverable services any time and anywhere, there is need to harness the power of technology for optimum utilisation of IT infrastructure.

### Recommendation 3

**15.19 We recommend that Ministries/Departments should optimise the use of infrastructural technologies and regularly evaluate and update their respective web sites and keep published databases current, accurate, complete and easy to access for use.**

### Leadership

15.20 To drive the e-government initiatives and its successful adoption and implementation, there is need for proactive and visionary leadership. It is critical that senior officers, in particular, fully support and actively participate in both the conceptualisation and implementation of projects. Although both the political and top executive leadership are essential to ensure successful implementation, it is equally important to cascade the leadership role down the organisation. This gives the process depth and sustainability that ensure its survival despite changes in leadership or senior management level turnover.

### Recommendation 4

**15.21 We recommend that Heads of Organisations/Departments should involve themselves proactively in a clear, consistent and visible way, take ownership of computerisation projects and ensure that Managers/Senior Officers assume ownership at their respective levels for continuity and sustainability of programmes.**

### Chief Information Officer

15.22 The Chief Information Officer (CIO) concept was introduced in the 2003 PRB Report. A designate position of CIO has subsequently been created in Ministries/Departments to provide IT leadership at organisational level.

15.23 In some Ministries, the CIOs are fully involved in the computerisation projects and have helped to conceptualise and lead projects to realisation while in others they are playing a passive role. The latter category of CIOs often faces problems of heavy work schedules with little time for the ICT related duties. It has been reported that in a few cases, they do not receive the desired support/commitment from top Management nor the required funds to run the project programme effectively.

15.24 For the effective implementation of computerisation and related e-government projects, we still hold the view that the designate position of CIO should be maintained to act as the prime mover of ICT in Ministries and Departments. The CIO would, *inter alia*, assist the Responsible or Supervising Officer in leading and coordinating ICT projects, participate in the elaboration of the e-business plan and its subsequent implementation and act as Liaison Officer with all stakeholders. Considering the responsibilities assigned to the CIOs, we are providing for an allowance as an incentive.

**Recommendation 5**

**15.25** We recommend that in each Ministry/Department an officer preferably at the level of a Principal Assistant Secretary or above with domain expertise i.e. having a thorough knowledge of the organisational processes of the Ministry/Department should be appointed as the Chief Information Officer. He would be required to work out the training programmes/updates and submit a report every six months on the status of ICT usage to the Supervising/Responsible Officer of the organisation for any action deemed necessary.

**Recommendation 6**

**15.26** We further recommend that Chief Information Officers in Ministries/ Departments providing on-line services, having Local Area Network with more than 25 peripherals and where no officer from CISD is posted on a full-time basis may be paid, subject to the approval of the Responsible Officer, a monthly allowance of Rs1500.

**Capacity Building**

**15.27** Right competencies and the appropriate attitude to adopt new systems/ technologies are essential for IT to work. It is, therefore, essential to provide appropriate training to equip officers with the required knowledge and skills to deliver effectively with the new tools.

**Recommendation 7**

**15.28** We recommend that:

- (a)** The MCSAR takes appropriate steps to amend the schemes of service of office jobs, including those in technical and professional cadres, so as to include as a minimum qualification requirement the Internet and Computing Core Certification (IC3) with knowledge of Office Package. The schemes of service should also mention that incumbents would be required to perform word processing and other basic ICT functions.
- (b)** Ministries/Departments should make arrangements for training of their staff so that by the year 2010 all officers are e-literate and competent to use office technologies.
- (c)** MCSAR in collaboration with the Ministry of Information Technology and Telecommunications should mount appropriate training courses for Chief Information Officers as a matter of priority.



### **Optimising Use of Equipment**

15.29 It has been reported that PCs and other IT equipment are being underutilised in most Ministries and Departments. For optimum utilisation of such equipment, we are making the following recommendations.

#### **Recommendation 8**

**15.30 We recommend that ICT equipment – Computers, Printers, Fax, and Scanners - as well as internet access should be provided to all officers as pooled equipment. Allocation of equipment to individual officers should only be made where Management considers it essential on the basis of organisational needs.**

#### **Recommendation 9**

**15.31 We further recommend that where Management considers it advisable and worth the expenditure, Senior Officers who are IT competent, and have to regularly make use of a laptop to either electronically contact stakeholders from outside the office/outside office hours or to carry out extensive research and write report within time frame or who have to make regular presentations to customers, be they internal or external, could be provided a laptop either as pooled equipment or on a personal basis.**

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## **16. EMPLOYMENT ON CONTRACT AND ALTERNATIVE MODES OF EMPLOYMENT**

- 16.1 Contract employment generally embodies four broad categories of employees, namely:
- (i) Special Advisers who are recruited for their eminence, wisdom and expertise.
  - (ii) Advisers who are appointed for the purpose of providing assistance to a Minister and to carry out such duties so as to serve the objectives of the Government and the Ministry/Department in which they are employed. These persons are generally Advisers on Public Relations matters or on specific matters in specialised fields like Education, Fisheries and Housing.
  - (iii) Officers appointed on contract in posts established under the Constitution or any other local enactment.
  - (iv) Officers employed on contract in scarcity areas against established posts to perform mostly non-advisory duties.
- 16.2 Appointment of Advisers on contract, as specified at paragraph 16.1 subparagraphs (i) and (ii) above, is made under section 89 (3) (h) of the Constitution of Mauritius and with the approval of the Prime Minister. Section 89 (3) (h) provides that any office of a temporary nature, the duties attaching to which are mainly advisory, is to be filled by a person serving under a contract on non-pensionable terms.
- 16.3 Appointment of officers on contract, as specified at paragraph 16.1 subparagraph (iii) above, is made in accordance with the provisions of the relevant legislation i.e. the Constitution or any other Law.
- 16.4 Appointment of officers on contract, as specified at paragraph 16.1 subparagraph (iv) above i.e. in scarcity areas against established posts to perform mostly non-advisory duties, is made by the appropriate Service Commission.
- 16.5 There is another type of contract employment which ensures a degree of flexibility into the system to enable the recruitment of talented persons, not in established posts, to perform duties both of an advisory nature and of an executive nature. Under this scheme, appointments are made for a specified period of time for a specific task or project. Such arrangements are presently being made in the Civil Service only where there is a genuine management need to make an appointment of limited duration, rather than a permanent appointment.

16.6 It is understood that with the implementation of Programme Based Budgeting, Ministries/Organisations would be given more autonomy in terms of financial expenditure and that over time that autonomy could mean having recourse to specific contractual employment, along the lines enunciated at paragraph 16.5, to achieve programme goals. **Whenever a Ministry proposes to resort to such type of fixed-term appointment, it should, in the first instance, seek the approval of the Ministry of Civil Service and Administrative Reforms (MCSAR) and thereafter, delegation of powers from the Public Service Commission.**

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

- (i) Appointment of Advisers on contract is made under section 89 (3) (h) of the Constitution and with the approval of the Prime Minister. Recommendations made to the Prime Minister for contract employment for cases/areas recommended by Heads of Ministries/Departments are channelled through the Secretary to Cabinet and Head of the Civil Service.
- (ii) The salary and the terms and conditions of service are cleared with the MCSAR prior to recruitment or renewal of contract.
- (iii) The salary of officers appointed on contract against established posts is normally the salary attached to the established post. The salary of other Advisers is generally determined on the basis of negotiations and of pay of existing posts with comparable levels of responsibilities in the public service having regard to the officer's qualification and experience.
- (iv) The other conditions of service, except for leave and travelling and car benefits, are, in principle and wherever applicable, in line with what obtain in the Civil Service.
- (v) In respect of leave, a different scheme applies to contract officers. An officer employed on contract for a period of one year or more is entitled to leave, for each year of contract, as follows:

Casual/Annual Leave	-	21 working days
Sick Leave	-	21 working days

The casual/annual leave of 21 working days may be taken on and off to cater for brief absences. At the end of each year of contract, casual/annual leave not taken by an officer may either be cashed or accumulated. Unutilised sick leave in a particular year is not convertible into cash.

- (vi) Advisers/Officers on contractual employment are not allowed to earn passage benefit during the 21 days casual/annual leave, whether taken or cashed.
- (vii) An officer on contract is eligible for end-of-contract gratuity in lieu of pension at the standard rate of 25% of salary drawn. The gratuity is payable after 12 months' satisfactory service, if the contract is for more than 12 months.

16.8 In the context of this review, we have re-examined the whole issue regarding contract employment, with particular reference to the terms and conditions of employment of contract officers having regard to development taking place and to what obtain in the public service for permanent staff. On this basis, we have reviewed the policy regarding (i) the rate of end-of-contract gratuity in lieu of pension, (ii) end-of-contract gratuity for contract employment of shorter duration than one year, (iii) eligibility for leave entitlement of contract officers during the first year of contract, and (iv) travelling and car benefits of contract officers.

#### **Recommendation 1**

**16.9 We recommend that the present provisions regarding authority, criteria and procedure for contract employment as well as the leave scheme of contract officers be maintained.**

**16.10 We further recommend that the salary and the conditions of service of contract officers should, as at present, be approved by the MCSAR. 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 leave and travelling and car benefits. The provisions for travelling and car benefits are dealt with at Chapter 18.2 of this Volume.**

#### *Rate of End-of-Contract Gratuity*

16.11 The present rate of end-of-contract gratuity payable to contract officers is 25% of salary and this rate has been in force since the 1960s. The end-of-contract gratuity is regarded as compensation in lieu of pension.

16.12 Under the new contributory pension scheme for public officers at Chapter 19, members would contribute at the rate of 6% of salary. On this basis, the overall estimated cost of running the new pension scheme would, in all likelihood, not exceed 18%. This means that Government's liability towards pension would be 12% of salary, in addition to the 2% of salary representing the share of Government contribution to the Civil Service Family Protection Scheme.

16.13 Considering that contract officers would be granted a salary corresponding to grades in the Civil Service which include the element of employee contribution, it would be fair to adjust the end-of-contract gratuity in lieu of pension for contract officers.

### **Recommendation 2**

**16.14 We recommend that the end-of-contract gratuity in lieu of pension payable to contract officers be at the rate of two months' salary on completion of 12 months' satisfactory service.**

*End-of-Contract Gratuity for contract employment of shorter duration than one year*

16.15 Generally, contract employment is of one year duration or more and the end-of-contract gratuity is payable on completion of 12 months' satisfactory service.

16.16 It has, so far, been the practice that for contract employment of shorter duration than one year, the offer is made on an assignment basis with an all-inclusive package.

16.17 However, there are a few instances, more particularly in the parastatal bodies, where contract employment is of shorter duration than one year (not on an assignment basis) and the contract is either extended or renewed. These contract officers are not paid the end-of-contract gratuity at the end of the contract or on completion of an aggregate of 12 months' satisfactory service.

### **Recommendation 3**

**16.18 We recommend that, for contract employment of shorter duration than one year which is either extended or renewed, the end-of-contract gratuity should be payable on completion of an aggregate of 12 months' satisfactory service, provided that:**

- (a) in the case of renewal the interval between one contract and the next does not exceed 28 days; and**
- (b) the monthly remuneration package of the contract officer has not been computed inclusive of end-of-contract gratuity.**

*Eligibility for Leave Entitlement*

16.19 As mentioned earlier, an officer employed on contract for a period of one year or more is entitled to annual leave at the rate of 21 working days and sick leave at the rate of 21 working days for each year of contract.

16.20 Unlike contract officers who benefit from annual leave and sick leave in their first year of contract, public officers not holding substantive appointment as well as private sector employees are entitled to annual leave and sick leave only after 12 months' continuous service.

16.21 We are, therefore, making appropriate recommendation to address this anomaly.

#### **Recommendation 4**

**16.22 We recommend that an officer employed on contract should not be eligible to any annual or sick leave entitlement during the first year of contract. However, this recommendation should not apply to (a) a retired public officer who has been re-employed on contract, (b) a contract officer who is serving under a contract of employment (embodying leave entitlement) already in force on 30 June 2008, and (c) a contract officer serving in established posts.**

#### **Passages to Expatriate Officers on Contract**

16.23 Where an officer on contract is a foreigner, i.e. his permanent residence is not in Mauritius, the officer is eligible for economy class air passages from country of permanent residence to Mauritius on appointment and back on expiry of contract for self, spouse and up to three dependent children below the age of 21, subject to the following:

- (i) if the contract is of one year duration and is renewed, passages are granted after two years; and
- (ii) for subsequent extension of contract, passages are granted every two years, unless the contract is extended for a final period of less than two years.

#### **Recommendation 5**

**16.24 We recommend that where an officer on contract is a foreigner, i.e. his permanent residence is not in Mauritius, the officer should continue to be eligible for economy class air passages from the nearest international airport in the country of permanent residence to Mauritius on appointment and back on expiry of contract for self, spouse and up to three dependent children below the age of 21, subject to the following:**

- (i) if the contract is of one year duration and is renewed, passages should be granted after two years; and
- (ii) for subsequent extension of contract, passages should be granted every two years, unless the contract is extended for a final period of less than two years.

## **Alternative Modes of Employment**

- 16.25 In both the 1998 and 2003 PRB Reports, 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.
- 16.26 On the basis of a study of foreign experience, it has been observed that in many countries resorting to contract employment is very popular and this arrangement enables management to tap the pool of high calibre 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 elaborate hereunder on the various modes of contract.

### ***Fixed-term Appointments***

*Fixed-term appointments (FTAs) are appointments which are made for a specified period of time for a specific task or project. 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 or project may be of limited duration or there is a short-term need to employ staff for a particular period.*

*A fixed-term contract of employment may be either full-time or part-time. In the case of a part-time contract, the salaries and other entitlements due to an equivalent full-time staff member apply to the part-time staff member on a proportionate basis.*

### ***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.*



16.27 In both the 1998 and 2003 PRB Reports, we had 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. We are making similar recommendations in this Report.

#### **Recommendation 6**

**16.28 We recommend that Responsible Officers of Ministries/Departments should be allowed to recruit staff on a month-to-month basis or for shorter periods or on assignment basis in line with the options spelt out at paragraph 16.26 to suit the operational requirements of their organisations, to address recruitment and retention problems and to cope with fluctuations in workload after seeking Government's approval and delegation of powers from the appropriate Service Commission.**

**16.29 In appropriate cases such appointments may be made through the recruitment of Consultants to provide consultancy services or the enlistment of the required human resources to perform specific assignments, in conformity with the provisions of the Public Procurement Act.**

#### **Recommendation 7**

**16.30 We additionally recommend that the following measures should continue to be adhered to:**

- (i) Responsible Officers of Ministries/Departments should take appropriate actions for the timely reporting of vacancies to the appropriate Service Commission.**
- (ii) The MCSAR 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.**

16.31 As part of our research on the subjects of Recruitment and Retention in the Public Sector and Employment on Contract, we have also undertaken an in-depth study on Part-Time Working, which is dealt with in detail in the ensuing chapter. We analyse the development of part-time working arrangement in the Public Sector within a wider international context, critically evaluate experience in the usage of such arrangement and plot the way forward.

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

## 17. PART-TIME EMPLOYMENT

17.1 This Chapter overviews the development and extent of part-time working arrangement in the Public Sector, within a wider international context. It critically evaluates experience in the usage of such arrangement and plots the way forward. Analysis reveals that while full-time working is still the norm in Mauritius and elsewhere, part-time and other forms of atypical working are gaining importance worldwide. In the light of our findings, we conclude that it does make economic and business sense in terms of manning levels and efficiency as well as effectiveness to allow Chief Executives to resort, where desirable, to part-time employment where the work does not warrant employment on a full-time basis. Additionally, we are making provisions to allow certain categories of employees to opt for part-time employment to balance their professional activities and family responsibilities.

### **Part-time Work Abroad**

- 17.2 Work is generally considered part-time when employees are contracted to work for anything less than the normal basic full-time hours. According to International Labour Organisation Convention, the term 'part-time worker' means an employed person whose normal hours of work are less than those of comparable full-time workers. However, it is interpreted differently according to each country's national law.
- 17.3 Some countries draw the line between part-time and full-time work by reference to usual weekly hours of work - 30 hours in Finland, Canada and New Zealand; 35 in Australia, Austria, Iceland, Japan, Sweden and the United States; 36 in Hungary and Turkey; and 37 in Norway. In Mauritius the weekly hours of work vary from  $33\frac{3}{4}$  hours to 40 hours.
- 17.4 In France a person working up to four-fifths of normal hours of work is considered part-time, whereas in Spain a part-time worker is one who works up to two-third of the full-time hours of work. In Ireland and the United Kingdom, work of less than 30 hours a week is considered part-time.
- 17.5 Over the past 20 years, the trend has been towards an increase in part-time work in relation to full-time employment, especially in many developed countries. In a few countries part-time employment has been an effective mechanism to tackle the high level of unemployment.
- 17.6 For workers it may offer the chance for a better balance between working life and family responsibilities. For employers it can permit not only greater flexibility in responding to market requirements but also productivity gains. It, therefore, becomes more attractive for employers to recruit part-timers rather than full-time employees especially since data from a number of countries reveal that the

hourly productivity of part-time workers is often higher. The explanations offered are that part-time employees work more intensively, with less absenteeism and job tedium. However, part-time workers are very often at a disadvantage in comparison with colleagues who do equivalent work full-time. Typically, their hourly wages are lower; they are ineligible for certain employee benefits; and their career prospects are more limited.

- 17.7 Part-time work also facilitates the gradual entry of young persons into the labour market, enables older workers gradually to withdraw from wage employment and helps those in need of parental leave to maintain a link with working life and thus avoiding a total break. In fact, it is within these three worker categories, that is youth, older workers and those with family responsibilities that part-time work is more prevalent.

### **Part-time Work in Mauritius**

- 17.8 In Mauritius, the practice of part-time working is not widespread in the public sector. It started in the rural local authorities and has gradually made some in-road in the Municipalities. In the District Councils, part-timers are predominantly, employed in manual grades, such as Sanitary Attendant, Library Attendant, Village Hall Attendant, and T.V. Attendant and in a few non-manual grades like Sewing Teacher and Asian Languages Teacher. In the Municipal Councils, the part-timers are employed mainly as Dressmaking Teacher, Instructor/Instructress or Animateur in Embroidery, Music, Photography, Yoga and Sports. These part-time employees generally put in between 18 hours and 28 hours weekly, which is more or less in line with those obtaining in foreign jurisdictions.

- 17.9 In the Civil Service, part-time employment is almost inexistent. Certain Parastatal Bodies hire the services of Health and Safety Officers on a part-time basis.

### **Survey on Part-Time Employment in the Public Sector**

- 17.10 In the context of this review, the Bureau has carried out a survey in the public sector to assess the extent of part-time working in order to formulate appropriate recommendations. A questionnaire was designed and sent to Chief Executives of Ministries/Departments, Parastatal and other Statutory Bodies, Local Authorities and Rodrigues Regional Assembly inviting them to furnish information regarding those grades currently (i) operating on a part-time basis, if any, and (ii) those on the permanent and pensionable establishment, which could be filled more effectively by part-time working arrangement.

- 17.11 As regards grades that could advisably and advantageously be filled on a part-time basis, the Chief Executives were requested to stand guided by the following criteria:
- (i) enlistment for part-time workers should, in principle, be limited only to entry grades including entry professionals; and
  - (ii) should be made from among experienced candidates, who need not have to undergo formal theoretical and practical on-the-job training but only a short induction course to be able to perform.

### **Findings and Observations**

- 17.12 The survey has confirmed that the practice of part-time working is not widespread in the public sector. Almost inexistent in the Civil Service, it is present to some extent in the Local Authorities and in only a few Parastatal Bodies.
- 17.13 The major findings revealed by the survey are given in the tables at the end of this Chapter. **Table I** gives details of the grades in the Parastatal Bodies and the Local Authorities currently operating on a part-time basis in the respective organisations, the establishment size of each grade, the mode of remuneration and the pattern of work.
- 17.14 Of the organisations which have responded, only two Ministries, 13 Parastatal Bodies and four Local Authorities have recourse to the services of part-time employees.
- 17.15 The Ministry of Women's Right, Child Development, Family Welfare and Consumer Protection has on its establishment 23 officers employed on a part-time basis as (i) Legal Resource Person, (ii) Resource Persons (on a sessional basis) in Beauty Care, Hair Dressing, Self-defence, and (iii) Resource Persons, Early Childhood Development.
- 17.16 The Ministry of Social Security, National Solidarity and Senior Citizens Welfare and Reform Institutions employs about 125 Substitute Messengers on a part-time basis to replace, as and when required, the Social Security Attendants working in Social Security Offices.
- 17.17 The survey has also revealed that only three organisations in the Civil Service, the Rodrigues Regional Assembly, seven Parastatal Bodies and three Local Authorities have identified grades currently on the permanent and pensionable establishment which could be filled by part-time working arrangement. Details of this aspect of the survey are given in **Table II** at the end of this Chapter.

### **Management Perspective**

17.18 The whole issue of part-time working in the Public Sector has been commented upon by the Chief Executives who have made some favourable observations and a few valuable suggestions e.g. possibility of recruiting people for specific assignments over a given period of time according to the organisation's needs and requirements; employment of part-time employees would be appropriate in cases where their services are required during specific hours or even during week-ends; the recruitment of part-time employees would alleviate the burden on the full-time officers with minimum budgetary outlays; and professional duties can be entrusted to qualified persons on part-time basis for specific assignments.

### **Employee Perspective**

17.19 Our social fabric is undergoing drastic changes due mainly to economic development. As a result, in a majority of families, with both parents working, children are left on their own especially after school hours and during vacation. The risk that these children get involved in unsocial activities is high. To protect them from developing negative behaviour, there is a willingness among numerous parents to balance work and family responsibility for the welfare of their wards. However, on account of the present traditional "9 to 4" mode of employment, they are unable to attend to part of their family obligations. Many among the working parents, especially working mothers, would have wished to work for a lesser number of hours during the day so as to attend to the needs of their children. Such working arrangement would, no doubt, have a positive impact on the development of a sound and healthy society.

### **Conclusions**

17.20 After proper analysis of findings of the survey including the suggestions made by chief executives and staff, we conclude that part-time employment would:

- (i) prove valuable particularly in cases where high calibre professionals are not willing to embark on permanent and pensionable employment in the Public Sector;
- (ii) offer workers a good way of striking a balance between the time they must spend earning a living and the time they wish to devote to other activities;
- (iii) be favourable to female employees especially working mothers to strike a balance between work and family life;
- (iv) contribute in solving unemployment problem;
- (v) help to some extent in the reduction of absenteeism; and
- (vi) reduce overtime bill.

17.21 In the light of the above observations and proposals made by chief executives and our findings and conclusions, we are making the following recommendations.

### **Recommendation 1**

**17.22 We recommend that:**

- (i) Heads of Ministries/Departments and Chief Executives of Parastatal Bodies and Local Authorities may enlist the services of part-time employees in the grades listed in Table II at the end of this Chapter. However, the recruitment of such employees should be made according to the existing procedures as for full-time employees.**
- (ii) All new grades identified which could be filled by part-time employees should be submitted to the MCSAR, which will examine each case on its own merits before submission to the High Powered Committee for approval.**
- (iii) Public officers aged 50 or more holding substantive appointments may be allowed to opt for part-time work for the rest of their career, subject to the exigencies of the service. This provision should not apply to officers in scarcity areas as well as to officers of the level of Principal Assistant Secretary and above. However, consideration may also be given to public officers (particularly working mothers), although below 50 years, who would wish to avail themselves of the above recommendation to attend to family obligations.**
- (iv) The pay for part-time workers recruited would, in principle, be on a pro-rata basis, that is, a proportion of the full-time rate of pay appropriate to the net number of hours worked. With regard to the pay of serving officers who opt for part-time working, the pay would be the salary point drawn, on a pro-rata basis, at the time of exercising the option and the officer would continue to be eligible to the annual increment.**
- (v) Once the *modus-operandi* of part-time working in respect of any grade is determined by the Ministry/Department/Organisation, the advice of the Pay Research Bureau should, invariably, be sought through the MCSAR for pay determination.**
- (vi) For pension purposes, any period of part-time working for officers holding substantive appointment would be reckoned as pensionable service but on a pro-rata basis.**

### **Conditions of Service**

17.23 With regard to conditions of service, they should, in principle, be in line with those recommended for part-time employees in this Report. We reproduce hereunder the salient ones.

***Annual Leave for Part-time Employees***

17.24 A part-time employee, who has been in continuous employment for a period of 12 consecutive months, should be entitled to 14 working days of annual leave in the case of part-time work that covers five days or more in a week. In the case of part-time work of less than five days a week, the number of annual leave shall be pro-rated. A day of leave is reckoned as the day or part thereof the employee is expected to be on duty.

***Sick Leave for Part-time Employees***

- 17.25 (i) A part-time employee, who has been in continuous employment for 12 consecutive months and who in principle puts in less than 40 hours of work weekly, should continue to be eligible for sick leave on a pro-rata basis depending on the number of hours of work per week based upon the principle of 12 working days' sick leave annually for a 40-hour working week.
- (ii) Sick leave unutilised at the end of the year out of the annual entitlement of 12 working days, up to a maximum of six days, should be paid in cash each year at the rate of 1/22 of the monthly salary per day.
- (iii) The refund of unutilised sick leave in respect of a part-time employee who puts in less than 40 hours of work weekly should be computed on a pro-rata basis depending on the number of hours of work per week.

**Retirement Benefits for Part-time Employees**

17.26 On retirement, part-time employees not holding a substantive appointment would be paid severance allowance in a lump sum in accordance with the Labour Act.

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Table I

**Grades Currently Operating on a Part-Time Basis in the  
Parastatal Bodies and Local Authorities**

**Parastatal Bodies**

Organisation	Grade	Establishment Size	Mode of Remuneration	Pattern of Work/Week
Fishermen Welfare Fund	Finance Officer	1	Rs 2000/month (Allowance)	2-5 hrs
Loïs Lagesse Trust Fund	Braille Transcriber	1	Rs 250/day	12-15 hrs
The Mauritius Sugar Terminal Corporation	Safety & Health Officer	1	Rs 8025 + E.R./month	10 hrs
Tobacco Board	Safety & Health Officer	1	Rs 7850/ month	12 hrs
National Children's Council	Resource Persons	20	On sessional basis	3 hrs
	Part-time Animateur	2	On monthly fee	3 hrs
	Resource Persons	15	On & Off basis	1 hr/talk
FARC	Senior Accounts Officer	1	Rs 4500/month	10 hrs
Mauritius Meat Authority	Safety & Health Officer	1	Rs 8025/month	10 hrs
Technical School Management Trust Fund	Safety & Health Officer	1	Rs16000/month	10 hrs
Sugar Industry Labour Welfare Fund	TV Operator	12	Rs 4420/month	18 hrs
	Caretaker	3	Rs 4420/month	24 hrs
	Warden	13	Rs 3930/month	18 hrs
	General Worker	15	Rs 3795/month	24 hrs
	Assistant General Worker	24	Rs 2860/month	18 hrs



Organisation	Grade	Establishment Size	Mode of Remuneration	Pattern of Work/ Week
University of Technology, Mauritius	Lecturer Senior Lecturer Associate Professor Professor		Payment is effected on an hourly basis and as per PRB Recommendations	

### Local Authorities

Organisation	Grade	Establishment Size	Monthly Basic Salary (Rs)	No. of Hours/ week
Black River District Council	(i) Village Hall Attendant & TV Operator	10	5,175	42 hrs
	(ii) Village Hall Attendant	6	3,740	18 hrs
	(iii) TV Operator	4	3,225	24 hrs
	(iv) Sanitary Attendant	2	2,400	24 hrs
	(v) Sewing Mistress	10	5,040	17.5 hrs
	(vi) Sanitary Attendant	1	4,500	24 hrs
Pamplemousses/ Riviere du Rempart District Council	(i) Sewing Mistress (4 sessions)	1	6,125	12 hrs
	(ii) Part-time Village Hall & TV Attendant	3	5,555	18 hrs
	(iii) Sewing Mistress (3 sessions)	12	5,195	9 hrs
	(iv) Sanitary Attendant I	1	4,865	18 hrs
	(v) Village Hall/Sub-Hall Attendant	24	3,730	18 hrs
	(vi) Radio/TV Attendant	1	3,175	18 hrs
	(vii) Sanitary Attendant III	1	3,175	18 hrs
	(viii) Teacher, Oriental Language	1	3,175	18 hrs
	(ix) Library Attendant	4	2,345	18 hrs
	(x) Mobile Dispensary Attendant	2	2,000	18 hrs

Organisation	Grade	Establishment Size	Monthly Basic Salary (Rs)	No. of Hours/ week
Moka/Flacq District Council	(i) Newspaper Collector	3	2,000	As per PRB Report 2003 15-25 hrs
	(ii) Cremation Ground Attendant	1	2,435	
	(iii) Library Attendant	21	2,435	
	(iv) Sanitary Attendant	3	2,435	As per PRB Report 2003 15-25 hrs
	(v) TV Operator	4	3,225	
	(vi) Sub-Hall Attendant	21	3,735	
	(vii) Village Hall Attendant	11	3,735	
	(viii) Village Hall Assistant/Newspaper Collector/Sanitary Attendant	1 (vacant)	3,860	
	(ix) Sub-Hall Attendant & TV Operator	1	5,330	
	(x) Village Hall Attendant & TV Operator	15	5,330	
	(xi) Village Hall Attendant/ Newspaper Collector & Library Attendant	.1 (vacant)	5,705	
	(xii) Village Hall Attendant/TV Operator & Newspaper Collector	1	5,900	
	(xiii) Village Hall Attendant/ TV Operator & Library Attendant	1	6,285	
	(xiv) Sewing Mistress	48	5,040	

Organisation	Grade	Establishment Size	Monthly Basic Salary (Rs)	No. of Hours/week
Grand Port/Savanne District Council	(i) Hindi Teacher I	2	5,750	12 hrs
	(ii) Hindi Teacher II	1	4,785	12 hrs
	(iii) Marathi Teacher	1	5,750	12 hrs
	(iv) Sewing Teacher	27	5,040	15 hrs
	(v) Village Hall & TV Attendant	32	5,845	30 hrs
	(vi) Village Hall Attendant (Personal) GSV6	3	4,000	25 hrs
	(vii) Village Hall Attendant GSV5	3	3,685	25 hrs
	(viii) Village Hall Attendant GSV3	2	2,915	25 hrs

Table II

**Grades that could be filled by Part-Time Working Arrangement  
as proposed by Chief Executives**

S.N.	Organisation	Grade
1.	Registrar of Companies	Photocopyist
2.	Ministry of Industry, Small & Medium Enterprises, Commerce & Cooperatives (Co-operatives Division)	General Worker Cooperative Officer (from retired officer in the Co-op Officer Cadre)
3.	Ministry of Justice & Human Rights	Clerical Officer/ Higher Clerical Officer Executive Officer Word Processing Operator
4.	Rodrigues Regional Assembly  Office of the Clerk  Commission for Arts & Culture	Reporter Events Management Officer Arts Officer Psychologist Technician (Light & Sound)
5.	National Library	Librarian
6.	NATRESA	Assistant Substance Abuse Prevention Officer Assistant Audio Visual & Documentation Officer
7.	Lois Lagesse Trust Fund	Braille Teacher
8.	Tobacco Board	Gardener Sanitary Attendant
9.	FARC	Accountant Programme Manager

<b>S.N.</b>	<b>Organisation</b>	<b>Grade</b>
10.	Road Development Authority	General Worker Watchman
11.	Mauritius Qualifications Authority	Clerk/WPO
12.	Pamplemousses/ Riviere Du Rempart District Council	Safety & Health Officer Attorney
13.	Moka/Flacq District Council	Safety & Health Officer
14.	Grand Port/Savanne District Council	Safety & Health Officer Attorney

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## **18. CONDITIONS OF SERVICE**

- 18.1 The mandate of the Bureau includes the review of Conditions of Service prevailing in the public sector. Conditions of Service refer to the terms and conditions of employment other than salary. In fact, the public sector provides a vast array of non-monetary benefits that can and should be monetised in order to correctly assess the actual compensation package available to the employees. They represent an important element of the total remuneration package. Mere comparison of only the pay or pay scale without taking cognizance of the total package of benefits available within the public sector does not give a true picture.
- 18.2 The Conditions of Service are also often perceived as additional benefits, when in reality the set is a bundle of benefits, regulations and obligations. The benefits are either pecuniary or non-pecuniary; and the regulations are rules to be abide by (e.g. hours of work) while obligations are binding quasi-legal agreements (e.g. performance of duties and shouldering of responsibilities according to the scheme of service).
- 18.3 The Bureau has, in its successive Reports, reviewed the Conditions of Service – updating existing ones to cater for changes in the working and other related conditions, redesigning others for continued effectiveness and introducing new ones in the light of statutory requirements or to ensure a competitive package for enhanced motivation.
- 18.4 In the context of this Review, we have again revisited the whole set of existing Conditions of Service. Our study has revealed that quite a number of the existing conditions are still valid and require no change. We are, therefore, maintaining these. However, after considering union/staff submissions and management proposals, we have reviewed, amended and updated certain existing terms and conditions of employment considering the changes that have occurred since our last Report to adapt them to present needs. Moreover, we have made recommendations for new conditions to induce desired employee behaviour and attitude for improved performance. Additionally, in line with Government policy and in the context of fundamental reforms being undertaken, we have restructured certain Conditions of Service e.g. pensions and duty free facilities. Any current provisions that have been forgone have been quantified and taken into account in arriving at the salaries recommended for the different grades.
- 18.5 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.

- 18.6 ***We again recommend that the Ministry of Civil Service and Administrative Reforms (MCSAR) 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.***
- 18.7 The comprehensive set of the revised general Conditions of Service is given in the following sections of this Chapter. Those relating to Rodrigues and the Outer Islands are at Chapter 22. Other Conditions of Service specific to Ministries/ Departments or other Institutions are dealt with in the respective chapters in the relevant volume of this Report.

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## 18.1 END-OF-YEAR BONUS

- 18.1.1 The concept of the End-of-Year Bonus, commonly known as the 13<sup>th</sup> month, started off in the Mauritian Public Service in the early seventies in the wake of the windfall gains following the sugar boom.
- 18.1.2 Since then, the End-of-Year Bonus became a reasonable expectation for every public servant, when the end of the year was approaching. They counted on the bonus to meet additional expenditure for the end-of-year festivities, school expenses and, at times, for settlement of debts. However, the payment of the bonus at the end of each year was not automatic as it did not form part of the Conditions of Employment of the Public Servant until the approval and implementation of the 2003 PRB Report, whereby an end-of-year bonus equivalent to one month's salary became an integral and permanent component of the conditions of service of all employees of the Public Sector.
- 18.1.3 Following representations received in the context of the Errors, Omissions and Clarifications Report of 2004, it was also recommended that, with effect from 1 July 2003, payment of an end-of-year bonus in case of death of a public officer should be effected on a pro-rata basis.
- 18.1.4 In the implementation process, the Ministry of Civil Service and Administrative Reforms had received several representations from public sector organisations seeking advice on the eligibility of certain categories of employees (who were not covered by the provisions of the 2003 PRB Report) to an end-of-year bonus. These cases were referred to the Bureau for advice and/or interpretation and concerned, *inter alia*:
- substitute messengers employed “on and off” and paid on a daily basis by the Ministry of Social Security, National Solidarity and Senior Citizens Welfare and Reform Institutions to replace Social Security Attendants on leave
  - resource persons employed on a sessional basis but paid on a month-to-month basis by the Ministry of Women's Rights, Child Development and Family Welfare and Consumer Protection
  - Doctors employed on a sessional basis by the Ministry of Health and Quality of Life under the Bank of Doctors Scheme



- 18.1.5 Straightforward cases, which fell within the overall framework of the philosophy governing the grant of an end-of-year bonus or which were simply omissions, were favourably considered and appropriate authority conveyed accordingly. However, complex cases which implied a departure from the main recommendations or which implicitly constituted a new condition of service were referred for examination and decision to the High Powered Committee which is empowered to make or approve such modifications/ additional recommendations, as it might deem necessary to facilitate the implementation process.
- 18.1.6 In this Report, we are making appropriate recommendations for the continued payment of an end-of-year bonus to all public sector employees. We also enunciate all the provisions concerning the grant of end-of-year bonus including those cases, which were resolved on an *ad hoc* basis and make a few additional recommendations to improve the existing provisions.

#### **Recommendation 1**

- 18.1.7 We recommend that an end-of-year bonus equivalent to one month's salary should continue to be an integral and permanent element of the conditions of service of all employees of the Public Sector including students, trainees or apprentices who draw an allowance instead of salary/wage whether on a monthly or daily basis.**

#### **Recommendation 2**

- 18.1.8 We also recommend that the following provisions concerning the grant of end-of-year bonus should be in force:**
- (a) Subject to sub-paragraph 18.1.8 (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 18.1.8 (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/Local Authority (or vice-versa) or employees of a Parastatal Body/Local Authority who joined another Parastatal Body/Local Authority in the course of the year and are still in employment, the following principles should continue to be followed:**
  - (i) **those who have not resigned from their previous service should be eligible for bonus from the Government and the Parastatal Body/Local Authority or from a Parastatal Body/Local Authority and another Parastatal Body/Local Authority 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 should be eligible only for a bonus in proportion to the period of service with their present employer. However, those who resign from the service to join a Parastatal Body/Local Authority or vice-versa and the resignation is due to the officers not holding a substantive appointment to be able to proceed on leave without pay are paid end-of-year bonus in proportion to the respective periods in both organisations.**
- (e) **No payment of an end-of-year bonus is made to those who have resigned from the service to join the private sector or for their own convenience 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 and Economic Development.**
- (f) **Payment of an end-of-year bonus in case of death of a public officer should be effected on a pro-rata basis to the legal heirs.**
- (g) **Advisers/Officers whose contract of employment are not renewed or who give the appropriate notice for termination of their employment, be paid the end-of-year bonus provided they have served at least six months in that calendar year in the organisation and the end-of-year bonus, was not pro-rated and integrated in their emoluments. The bonus should be in proportion to the period of service and should be paid at the end of December of that year.**

**Recommendation 3**

**18.1.9 We further recommend that (a) substitute employees employed “on and off” and paid on a daily basis; (b) resource persons employed on a sessional basis but paid on a month-to-month basis; and (c) persons employed on a sessional basis under a Bank Scheme and who:**

- (i) reckon continuous employment with the employer for a whole or part of the year; and**
- (ii) are in employment on 31 December**

**should be entitled to a proportion of the bonus which the salary/wage/ allowance/fees actually drawn during the year in respect of normal hours of work bear to the total annual salary/wage of the corresponding grade or where there is no corresponding grade, to a proportion of the bonus which the fees actually drawn during the year bear to the total annual fees of an employee who would have worked full-time.**

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## *18.2 TRAVELLING AND CAR BENEFITS*

- 18.2.1 During the colonial days and up to the early seventies, not all civil servants were entitled to reimbursement of travelling expenses incurred to attend duty by bus. For example, those residing in rural areas posted in an urban office were not reimbursed at all whereas those living in towns and working in a rural office were.
- 18.2.2 After the Sedgwick Report (1973), every civil servant travelling by bus to attend duty from home and back was refunded all their travelling expenses. Moreover, the situation improved for certain senior employees attending duty in their own cars who were granted loans at competitive rate of interest and a monthly travel grant while a few categories of professionals (e.g. Magistrates and Medical Officers) were granted commuted travelling allowance and loan at competitive rate of interest for purchase of a car.
- 18.2.3 Major improvements came with the PRB Report in the year 1987, which saw the advent of the 'Duty Free Car Scheme'. Thus, public officers of a certain status or drawing a salary at a certain level and above obtained loan at concessionary rate of interest for purchase of a new car on which 100% Excise Duty was waived. Other categories of employees who, by the nature of their functions had to perform official travelling (fieldwork), also benefited from loan at the same concessionary rate of interest for purchase of a new car but on which 60% (now 70%) of excise duty was remitted.
- 18.2.4 Travelling allowances and car benefits, today, represent an important component in the compensation package. They include refund of travelling expenses for official travelling as well as for attending duty; loan facilities for the purchase of vehicles at a subsidised interest rate; duty deferred facilities on cars and motorcycle; and the provision of official cars with petrol allowance.
- 18.2.5 Today, public officers, depending on their status or by virtue of their salary and/or responsibility in a hierarchy, are entitled to the following travelling benefits:
- (a) chauffeur-driven or official car for both official and private use to those drawing a monthly salary of Rs 47500 and above;
  - (b) self-driven car for both official and private use to Accounting Heads of Departments/Chief Executives drawing a monthly salary of Rs 45000 and above but less than Rs 47500;

- (c) 100 % duty remission to officers drawing a monthly salary of Rs 42500 and up to Rs 45000 on cars of up to 1850 c.c. together with a monthly travelling allowance and an additional fixed costs allowance;
- (d) 100% duty remission to officers drawing a monthly basic salary of Rs 40000 and above but less than Rs 42500 on cars of up to 1601 c.c. together with a monthly travelling allowance;
- (e) 100% duty remission on a car and commuted travelling allowance to certain categories of professionals and senior officers drawing a monthly salary in the range of Rs 28000 – Rs 39000;
- (f) 70% duty deferred facilities granted to field officers and to certain categories of officers once in their career;
- (g) travel grant to officers drawing a monthly basic salary in the range of Rs 19400 – Rs 27200;
- (h) payment of a monthly commuted travelling allowance to officers drawing a monthly basic salary of Rs 19400 and up to Rs 27200 but not possessing a car as well as to officers drawing a basic salary of Rs 18800 a month or refund of bus fares whichever is higher;
- (i) refund of travelling by bus to attend duty from home and back; and
- (j) loan facilities for the purchase of duty deferred motorcycle/autocycle to eligible field officers.

18.2.6 In this Report, we have revisited all the existing provisions regarding Travelling and Car Benefits and are making appropriate changes and recommendations. For clarity and to facilitate the implementation process, we deal with the Travelling and Car Benefits and the related recommendations under five sections, namely: **Section I – Duty Free Remission/Concession; Section II – Motor Vehicle, Motor Cycle and Bicycle Loans; Section III – Travelling Allowances, Travel Grant and Refund of Travelling Costs; Section IV - Official Car Scheme; and Section V – Other Recommendations.**

## **Section I – Duty Free Remission/Concession**

### **The Duty Free Scheme**

- 18.2.7 The duty free scheme was first introduced in the 1987 PRB Report. Prior to the Report a few categories of professionals e.g. Doctors, Magistrates and Engineers and senior officers in the civil service were eligible for loan facilities at concessionary rate of interest to purchase a car for official use.
- 18.2.8 However, during the mid-eighties these beneficiaries were facing serious difficulty to purchase a car of a reasonably good standard from the local market as:
- (i) the price of brand new cars was not within their reach; and
  - (ii) the fleet of cars in Mauritius was relatively old and consequently good second-hand cars of less than seven years on which a loan could be raised were not readily available.
- 18.2.9 Against this background and considering that: (a) senior employees in the private sector were eligible for company cars; (b) the need to bridge the gap between the compensation package of the Private Sector and the Public Sector; and (c) the advisability to trade off part of pay increases for non monetary benefits, the Bureau introduced the 'duty-free' scheme for professionals and other senior officers in its 1987 Report.
- 18.2.10 Today, while the existing car loan with duty remission scheme continues to be a major component of the remuneration package of senior officials, the amount of duty waived in monetary terms has significantly decreased with the fall in the rate of excise duty which stands at 55% of the CIF value as against a maximum of 180% in 1987 for car with engine capacity of up to 1500 c.c.
- 18.2.11 It is common knowledge that the existing conditions of the duty free provisions induce beneficiaries to purchase a new (or imported second hand) car each time they are eligible for this benefit even though the car they already own is still in very good running condition – a well maintained car is generally granted a two-year roadworthiness certificate at the end of the seven year period. Consequently, it has been opined in certain quarters that the scheme as it stands today, not only fuels demand for foreign exchange but is responsible, to some extent, for the daily traffic jam on the main roads and should, therefore, be revisited.
- 18.2.12 In this regard, views have been expressed for the integration of car benefits in the salary package or to grant some other type of benefit in lieu of the duty remission.

- 18.2.13 Conversely, the staff associations argue that the share of duty-free vehicles in total imports is not significant and there is no certainty that employees would attend office by alternative means if the duty concession is removed. Moreover, they consider that the duty-free facility is an acquired right which should not only be maintained but enhanced.
- 18.2.14 Additionally, representations have been received from eligible officers for improvement of the scheme including an increase in the level of the car benefits in terms of higher rate of duty remission, higher engine capacity of cars and shorter duration of renewal periods for the different categories. Employees have also represented for the further enlargement of the base of beneficiaries for duty remission.
- 18.2.15 Unlike what many may think, the duty free scheme does not in real terms cause a loss in revenue to the national coffers by way of excise duty foregone. Had the scheme not been in existence, not many public sector employees would have afforded to purchase a brand new car. On the contrary, with the scheme in operation, Government revenue increases in terms of Registration Dues, Road Tax and Value Added Tax.
- 18.2.16 Moreover, it is evident that for the Mauritian nationals, the possession of a car, like owning a house, is but a natural ambition. Thus, there is a strong emotional attachment associated with the private ownership of a brand new car. Further, the grant of duty remission on a car continues to be an important component of the remuneration package that helps to facilitate the recruitment, retention and motivation of employees. It would, therefore, not be wise and fair to dismantle the whole 'duty-free' scheme presently in operation though it would be advisable to monitor and control the fleet of vehicles.
- 18.2.17 In short, considering:
- (a) the high motivational value of the duty remission for recruiting and retaining talents the Public Sector needs;
  - (b) the very high economic and social costs of trading off this benefit completely for higher salary;
  - (c) a car of seven year old in good running condition is generally granted a two-year road worthiness certificate;
  - (d) that there is a sufficient number of second-hand cars in relatively good condition on the market today; and
  - (e) the need to diminish the rate of increase in the fleet of vehicles,
- it would be advisable to maintain the current provisions of the duty free scheme with appropriate modifications while at the same time provide different options to induce beneficiaries to defer the acquisition of duty remitted cars.

18.2.18 In this Report, we are, therefore, making provisions for beneficiaries to opt for either duty remission to purchase a car or a monthly car allowance or entitlement to a higher engine capacity or higher duty remission where applicable to defer purchase of the duty remitted car.

**Recommendation 1**

18.2.19 We recommend that officers in the categories specified at column (A) in the table below should be eligible for duty remission to purchase a car with appropriate engine capacity as specified at column (B) or may opt for a monthly car allowance or deferred renewal for the purchase of a duty remitted car with higher engine capacity/enhanced duty remission, wherever applicable, as at column (C) in lieu of the duty remission at column (B).

	(A)	(B)	(C)						
No.	Salary Level/Category of Officers	Duty Remission	Options in lieu of duty remission as at column (B)						
1.	Officers drawing a monthly salary of Rs 66000 or more but not eligible for a chauffeur/ self driven car	100% duty remission on a car of engine capacity up to 1850 c.c. once every five years.	<p>A monthly car allowance of Rs 7000</p> <p style="text-align: center;">OR</p> <p>deferred renewal with duty remission on cars of higher engine capacity as hereunder subject to the provisions at paragraph 18.2.22 (c) wherever applicable:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">Renewal Period</td> <td style="width: 50%;">Engine Capacity</td> </tr> <tr> <td>6 years</td> <td>up to 2050 c.c</td> </tr> <tr> <td>7 years</td> <td>up to 2250 c.c</td> </tr> </table>	Renewal Period	Engine Capacity	6 years	up to 2050 c.c	7 years	up to 2250 c.c
Renewal Period	Engine Capacity								
6 years	up to 2050 c.c								
7 years	up to 2250 c.c								
2.	Officers, drawing a monthly salary of Rs 62000 but less than Rs 66000 as well as those drawing a monthly salary in a scale the maximum of which is not less than Rs 62000.	100% duty remission on a car of engine capacity of up to 1601 c.c. once every five years.	<p>A monthly car allowance of Rs 4750.</p> <p style="text-align: center;">OR</p> <p>deferred renewal with duty remission on cars of higher engine capacity as hereunder subject to the provisions at paragraph 18.2.22 (c):</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">Renewal Period</td> <td style="width: 50%;">Engine Capacity</td> </tr> <tr> <td>6 years</td> <td>up to 1800 c.c</td> </tr> <tr> <td>7 years</td> <td>up to 2000 c.c</td> </tr> </table>	Renewal Period	Engine Capacity	6 years	up to 1800 c.c	7 years	up to 2000 c.c
Renewal Period	Engine Capacity								
6 years	up to 1800 c.c								
7 years	up to 2000 c.c								



	(A)	(B)	(C)						
No.	Salary Level/Category of Officers	Duty Remission	Options in lieu of duty remission as at column (B)						
3.	Officers in posts carrying a monthly salary of Rs 41250 and up to Rs 60000 as well as incumbents in the following grades: Medical and Health Officer/ Senior Medical and Health Officers, Dental Surgeon/Senior Dental Surgeons, District Magistrates, State Counsels, State Attorneys, Quantity Surveyors, Engineers, Occupational Safety and Health Engineers, Architects, Planners, Planning Officers (Local Authorities), Town & Country Planning Officers, Senior Town & Country Planning Officers, Pharmacist /Senior Pharmacists and Veterinary Officers including those appointed in a temporary capacity.	100% duty remission for the purchase of a car with engine capacity of up to 1500 c.c. once every seven years.	A monthly car allowance of Rs 3000  OR deferred renewal with duty remission on cars of higher engine capacity as hereunder subject to the provisions at paragraph 18.2.22 (c):  <table border="0"> <tr> <td>Renewal Period</td> <td>Engine Capacity</td> </tr> <tr> <td>8 years</td> <td>up to 1601 c.c</td> </tr> <tr> <td>9 years</td> <td>up to 1850 c.c</td> </tr> </table>	Renewal Period	Engine Capacity	8 years	up to 1601 c.c	9 years	up to 1850 c.c
Renewal Period	Engine Capacity								
8 years	up to 1601 c.c								
9 years	up to 1850 c.c								
4.	Officers in the grades listed at Annex II of this Report (Volume I).	70% excise duty remission on a new car or an imported reconditioned car of up to four years old with engine capacity of up to 1400 c.c. as per prevailing regulations regarding certification i.e. certified by government sources in the exporting country as being in good running order once every seven years.	A monthly car allowance of Rs 1600  OR deferred renewal and enhanced duty remission as hereunder subject to provision at paragraph 18.2.22:  <table border="0"> <tr> <td>Renewal Period</td> <td>Duty Remission</td> </tr> <tr> <td>8 years</td> <td>85%</td> </tr> <tr> <td>9 years</td> <td>100%</td> </tr> </table>	Renewal Period	Duty Remission	8 years	85%	9 years	100%
Renewal Period	Duty Remission								
8 years	85%								
9 years	100%								

18.2.20 With the foregoing recommendation officers falling in the above categories may opt for one of the following options:

- (i) take advantage of the duty remission; or
- (ii) benefit from higher duty remission or cars of higher engine capacity whichever is applicable for a deferred renewal; or
- (iii) take advantage of a monthly car allowance in lieu of the duty remission.

18.2.21 While the scheme has been redesigned to respond to the challenging objectives enunciated earlier, it is believed that employees would take advantage of the most convenient option which would contribute to their motivation.

## **Recommendation 2**

**18.2.22 We recommend that an officer eligible for duty remission:**

- (a) who has opted for the payment of a monthly car allowance in lieu of duty remission, would be allowed to take advantage of duty remission only after a period of six months as from the date he exercised the option for the allowance; and that the span of time during which an officer has drawn the allowance should in no case be considered in determining the period of eligibility for renewal;**
- (b) who has opted for deferred renewal period to benefit from higher engine capacity or increased duty remission, would not be allowed to draw the monthly car allowance in lieu of the duty remission as from the date he exercises this option up till the end of the period qualifying him for the higher engine capacity/enhanced duty remission;**
- (c) may opt to purchase a car of higher engine capacity than his normal entitlement subject to a maximum of 2250 c.c. provided:**
  - (i) he pays the difference in the excise duty; and**
  - (ii) the quantum of duty exemption an officer would benefit from should not exceed the quantum he would have benefited, had he purchased a duty deferred car with an engine capacity corresponding to his normal entitlement;**
- (d) who has already taken advantage of either 60% duty remission prior to 1 July 2003 or 70% or 100% duty remission on a car as at 30 June 2008 may be allowed to opt for the car allowance in lieu of the duty remission for renewal of their duty remitted car only after a period of five or seven years (whichever is applicable) have elapsed as from the date of the last purchase of the car;**

- (e) drawing a monthly salary of Rs 66000 or more, not qualifying for a chauffeur/self driven car, and who has purchased a car of 1601 c.c. engine capacity prior to 1 July 2004 would be eligible for the purchase of a car of up to 1850 c.c. only after five years have elapsed as from the date of the last purchase of their duty remitted car;
- (f) who prior to 30 June 2008, were drawing a monthly salary of Rs 40000 but less than Rs 42500 as well as those who were drawing a monthly salary in a scale the maximum of which is not less than Rs 40000 and with this Report would be entitled to a monthly salary of Rs 66000 or more would be allowed to take advantage of car benefits as per provisions at paragraph 18.2.19 (No. 1) only after five years have elapsed as from the date of the last purchase of the duty remitted car; and
- (g) whose grade is listed at Annex II of this Volume would be allowed to take advantage of duty remission up to a maximum of four times. This provision would not apply in case of change of entitlement to 100% duty remission.

18.2.23 We make, hereunder, some additional provisions to supplement the schemes and set the rules to facilitate implementation.

### **Recommendation 3**

18.2.24 We further recommend that an eligible officer:

- (a) whose employment is terminated within a period of four years as from the date of the last purchase of a duty remitted car, should reimburse excise duty on a pro-rata basis;
- (b) proceeding or who have proceeded on retirement would not be required to refund any duty provided the duty remitted car is not sold within four years as from the date of purchase;
- (c) should pay proportionate duty if the duty remitted car is sold within four years as from the date of purchase in accordance with section 4 and 5 of the Excise Tariff Act (Revised Law 1981 Vol. 2);
- (d) proceeding on retirement at the age of 50 and above to whom a 100% duty exemption certificate has been granted, may be allowed to utilise same within six months after the effective date of retirement;
- (e) proceeding on leave with or without pay (excluding vacation leave and sick leave periods) would be allowed to benefit from duty remission anew after an aggregate period of five or seven years whichever is appropriate as from the date of purchase of the car excluding the period of leave without pay;

- (f) who has purchased a 100% duty remitted car and is subsequently promoted to a grade qualifying him for a self/chauffeur driven government official car within four years as from the date of last purchase of the car should continue to be exempted from reimbursement of proportionate excise duty notwithstanding the provisions at paragraph (c) above; and
- (g) who has purchased a car of up to 2250 c.c. and has paid excise duty on the difference between a 1400 c.c. or 1500 c.c. car and a car of up to 2250 c.c., should, if he opts to retain the car on qualifying for a 1601 c.c. car, be refunded proportionate excise duty, if any, thereon as from the date he qualifies for a 1601 c.c. car.

#### Recommendation 4

18.2.25 We also recommend that an officer who has, prior to 30 June 2008, taken advantage of 70% duty remission and qualifies, by virtue of salary, for 100% duty remission on or after 1 July 2008 OR purchased a 70% or 100% duty remitted car and subsequently qualify by virtue of salary for duty remission on a car of higher engine capacity may be allowed:

Either

to claim refund of duty, if any, as from the date he is eligible for higher rate of duty remission/higher engine capacity and retain his car up to the time he would be eligible for renewal which should be either five/seven years as from the date duty was refunded or when the car is nine years old, whichever is applicable

Or

to reimburse proportionate duty and loan, if any, and take advantage of corresponding car benefits as per appropriate provisions at paragraph 18.2.19.

#### Recommendation 5

18.2.26 We additionally recommend that:

- (i) officers drawing a monthly salary of Rs 31250 and above who have never benefited from duty remission for the purchase of a car but are aged 52 years and above and reckon at least 22 years' service would continue to be eligible only once for 70% duty remission on a car of engine capacity of up to 1400 c.c. provided beneficiaries reimburse outstanding loan, if any;

- (ii) officers, though less than 52 years, who have never benefited from duty remission but drawing a monthly salary of Rs 40000 and officers drawing a salary of Rs 30000 and above in a salary scale the maximum of which is not less than Rs 45000 would continue to be eligible once for the purchase of a 70% duty remitted car with engine capacity of up to 1400 c.c. on the same terms and conditions as at paragraphs 18.2.19 (No. 4) and 18.2.49, save for renewal of car and provided outstanding loan, if any, is reimbursed

OR

a monthly car allowance of Rs 1600 in lieu of the 70% duty remission on a car of engine capacity of up to 1400 c.c.

- (iii) officers in the categories referred to at sub-paragraphs (i) and (ii) above would benefit from 70% duty remission only once during their career. Such beneficiaries may take advantage of duty remission again, if they qualify for 100% duty remission on reaching salary point Rs 41250. However, officers who would reach salary point Rs 41250 by virtue of the provisions at paragraphs 10.52 and 10.53 at Chapter 10 of this Volume or similar provisions in the respective chapters of Ministries/ Departments/Parastatal Bodies would be allowed to take advantage from duty remission on a car again after seven years have elapsed as from the date of purchase of their last duty remitted car. Such officers would be eligible for the appropriate monthly travelling allowance in lieu of travel grant.
- (iv) officers whose grades are listed at Annex II of this Volume and who subsequently are promoted to grades carrying salary in the range of Rs 30000 – Rs 45000 would be allowed to renew the 70% duty remitted car or opt for the monthly car allowance in lieu of the duty remission according to provisions 18.2.19 (No. 4) only after seven years have elapsed as from the date the officers last purchased their duty remitted car;
- (v) officers who are entitled to 70% duty remission as per provisions at sub-paragraphs (i), (ii) and (iv) above would be allowed to take advantage of this benefit up till six months as from their effective date of retirement; and
- (vi) officers who are eligible for 100% duty remission on a car as per provisions at paragraph 15.2.78 of the 2003 PRB Report Volume I, although not drawing a monthly salary of Rs 41250 would continue to be eligible for the 100% duty remission on a car and related benefits as per terms and conditions at paragraph 18.2.19 (No. 3).

### **Officers Performing Extensive Field Duties**

18.2.27 Certain Officers are required to perform extensive field duties depending on their postings and nature of work and, therefore, the use of a car is a necessary tool for greater efficiency and effectiveness in the delivery of the service. However, by virtue of their salary or nature of duties they are not eligible for 100% or 70 % duty remission for the purchase of a car. Such officers are granted duty remission of up to Rs 100000 on a car with engine capacity of up to 1400 c.c. subject to the approval of the Committee chaired by the Financial Secretary. They are refunded official travelling cost at approved rates. These provisions are also applicable to Advisers/Officers on contract employment who are required to perform extensive field duties.

### **Recommendation 6**

18.2.28 **We recommend that applications for Rs 100000 duty remission from individual officers in certain grades whose postings require them to perform extensive official travelling should continue to be looked into by the Committee chaired by the Financial Secretary and comprising the Director of the Pay Research Bureau and the Supervising Officer of the Ministry of Civil Service and Administrative Reforms (MCSAR).**

### **Recommendation 7**

18.2.29 **We recommend that officers in the grades listed at Annex II of this Report, as well as officers qualifying for partial duty remission as at sub-paragraphs 18.2.26 (i), (ii), (iv) and (v) who opt for duty remission should benefit from its equivalent on a car or Rs 100000 duty exemption whichever is higher.**

### **Recommendation 8**

18.2.30 **We also recommend that:**

- (i) **officers whose grades are listed at Annex II of this Volume and are required to travel regularly on sloppy, rocky and uneven roads to get access to site/s of work, may also be allowed to opt for the purchase of a duty remitted 2 x 4 or 4 x 4 Double Cabin pick up in lieu of 70% duty remission on a car, subject to the genuineness of the case and approval of the Supervising Officer; and**
- (ii) **the Supervising Officer of the Ministry/Department should inform the Customs Department of the Mauritius Revenue Authority of the termination of employment, other than normal retirement, of employment of each beneficiary for the purpose of recovery of excise duty, if any.**

## **Officers on Temporary Appointment**

### **Recommendation 9**

**18.2.31 We recommend that an eligible officer who by virtue of temporary appointment:**

- (a) has taken advantage of duty remission on a car and leaves the service or is reverted to his former post, should be required to reimburse proportionate excise duty 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.**
- (b) has opted for the payment of the corresponding monthly car allowance as specified at paragraph 18.2.19 in lieu of the duty remission would discontinue to draw this allowance if the officer is reverted to his former position.**

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

**18.2.32** The provisions regarding duty remission and loan facilities for the purchase of car to Advisers, at different salary levels, employed on contract basis are , save for a few exceptions, aligned with provisions applicable to public officers on permanent and pensionable establishment. However, such Advisers/ Officers are required to furnish security to cover the full amount of the loan contracted.

**18.2.33** Officers on contract employment who opt for the payment of a monthly car allowance in lieu of duty remission are not allowed to claim duty remission within a period of five or seven years as from the date of exercising the option.

**18.2.34** We have examined the existing provisions for car benefits to Advisers/ Officers employed on contract and have found them adequate and still valid. We are, therefore, maintaining them as hereunder.

### **Recommendation 10**

**18.2.35 We recommend that:**

- (i) Senior Advisers employed 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:**

**either**

**duty remission for the purchase of a car with engine capacity of up to 1850 c.c. or of a higher engine capacity not exceeding 2250 c.c., subject to the provisions at paragraph 18.2.22 (c)**

or

may opt for the payment of a monthly car allowance of Rs 7000 in lieu thereof

and

be refunded travelling expenses as at paragraph 18.2.71 (No. 2)

- (ii) Advisers/Officers employed on contract drawing a salary in the range of Rs 62000 and up to Rs 75000 a month would be eligible for either 100% duty remission on a car with engine capacity of up to 1601 c.c. or a car of higher engine capacity not exceeding 2250 c.c. subject to the provisions at paragraph 18.2.22 (c)

or

may opt for the payment of a monthly car allowance of Rs 4750 in lieu thereof

and

be refunded travelling expenses as at paragraph 18.2.71 (No. 2);

- (iii) Advisers/Officers employed on contract drawing salary in the range of Rs 41250 and up to Rs 60000 a month as well as Advisers employed in the capacity of professionals as mentioned at paragraph 18.2.19 (No. 3) would benefit from 100% duty remission for the purchase of a car with engine capacity of up to 1500 c.c. or a car of higher engine capacity not exceeding 2250 c.c. subject to the provisions at paragraph 18.2.22 (c)

or

may opt for the payment of a monthly car allowance of Rs 3000 in lieu thereof

and

be refunded travelling expenses as at paragraph 18.2.71 (No. 2);

- (iv) Advisers/Officers employed on contract:
- (a) who may opt for duty deferred facilities or a monthly car 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; and
  - (b) who have opted for the monthly car allowance in lieu of the duty deferred facilities would not benefit from duty exemption within a period of five or seven years, whichever is appropriate; and



- (v) a retired public officer who has benefited from duty remission on a car and subsequently qualifies for same, by virtue of employment on contract, should not be allowed to purchase another duty free car within a period of five or seven years, whichever is applicable, as from the date of first registration of the car in Mauritius.

18.2.36 We further recommend that Supervising Officers of Ministries/ Departments should ensure that the contract document of Advisers/ Officers on contract employment should explicitly state the conditions regarding reimbursement of outstanding loan and duty in case of termination or expiry of contract.

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

##### **Recommendation 11**

18.2.37 We recommend that Advisers/Officers on contract employment who are not eligible for duty remission on a car, either for 70% or 100%, 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

either

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

or

may opt for the payment of a monthly car allowance of Rs 1600 in lieu of the Rs 100000 duty remission

and

claim mileage for official travelling at appropriate rates as specified at paragraph 18.2.71 (No. 5).

#### **Reimbursement of Excise Duty by Advisers/Officers on Contract Employment**

18.2.38 In principle, according to the provision of the Customs and Tariff Act 1988 as subsequently amended, the duration of the remission of duty on motor vehicles lasts for four years. Consequently, whenever the employment (permanent or contract) of a beneficiary of duty remission is terminated or expires within a period of four years as from the date of purchase of a car, he is required to reimburse the duty on a pro-rata basis. We are maintaining this provision.

## **Recommendation 12**

### **18.2.39 We recommend that:**

- (i) in case the contract employment of an Adviser/Officer comes to expiry within a period of four years as from the date of purchase of the duty remitted car, the Adviser/Officer should reimburse proportionate duty as from the date of its purchase.**
- (ii) a contract officer who has taken advantage of duty remission on a car should pay proportionate duty if same is sold within four years as from the date of its purchase.**

## **Duty Remission on Motor Cycle**

18.2.40 Certain categories of officers at the lower levels are required to perform field duties and, therefore, have to move to different sites of work during the day. These officers benefit from duty remission on autocycle/motorcycle. The corresponding grades of such categories of officers are listed at **Annex III** of this Volume.

18.2.41 Such officers are allowed to renew their autocycle/motorcycle after seven years as from the date of purchase and are entitled to duty remission on the same terms and conditions as for their first purchase. These provisions are being maintained.

## **Recommendation 13**

**18.2.42 We recommend that officers in the grades listed at Annex III of this Report should continue to be eligible for duty remission on an autocycle/motorcycle with engine capacity of up to 150 c.c. once every seven years.**

## **Duty Remission on Auto Cycle to Gangman (Scavenging)- District Councils**

18.2.43 Gangmen (Scavenging) are called upon to visit different sites of work on the same day in the performance of their duties. As such, they benefit from duty remission on autocycle along with loan facilities. We are maintaining this provision.

## **Recommendation 14**

**18.2.44 We recommend that the Gangman (Scavenging) in all District Councils, except at the Black River District Council, would continue to benefit from duty remission on autocycle once every seven years and loan facilities as per provisions at paragraph 18.2.54.**

## Section II – Motor Vehicle, Motor Cycle and Bicycle Loans

### Motor Vehicle Loans

- 18.2.45 Presently, public officers eligible for loan facilities, for the purchase of a motor vehicle are classified into broad categories of beneficiaries based on the entitlement to duty remission and salary levels and the need to perform official travelling. The interest rate is at 7.5% per annum invariably, for all categories of beneficiaries.
- 18.2.46 As regard those eligible for duty remission, there is a difference in the loan ceiling and the repayment period between the first and subsequent purchase.
- 18.2.47 In view of the new levels of salary recommended in this report and the prevailing car prices, we do not find any justification to review the different loan ceilings and repayment period.
- 18.2.48 However, with the introduction of different options in lieu of duty deferred facilities we are, in this Report, making provisions to also enable beneficiaries who opt for an allowance in lieu of duty to take advantage of loan facilities to purchase a car from the local market.

### Recommendation 15

**18.2.49 We recommend that:**

- (a) **officers, subject to provisions at paragraph (b) below, eligible for 70% and 100% duty exemption may be granted loan facilities of up to 21 and 18 months' salary respectively refundable in 84 monthly instalments in respect of a first purchase of a car**
- or**
- a maximum loan equivalent to 15 months' salary refundable in 60 monthly instalments for a subsequent purchase whichever is applicable;**
- (b) **officers drawing a monthly salary in the range of Rs 62000 and up to Rs 75000, except Accounting/Responsible Officers drawing salary of Rs 75000 a month, would be eligible for loan facilities of up to 18 months refundable in 60 monthly instalments or a maximum loan equivalent to 15 months' salary refundable in 48 monthly instalments for a subsequent purchase;**
- (c) **officers qualifying for duty concession of up to Rs100000 as per provisions of the recommendation at paragraph 18.2.29 and opting to take advantage of duty remission would be entitled to a maximum loan equivalent of 21 months' salary refundable in 84 monthly instalments for a single purchase of a car;**

- (d) officers eligible for a travel grant but who are not eligible for duty remission would qualify for loan facilities of up to 21 months' salary refundable in 84 monthly instalments for the purchase of a car of up to eight years old provided the employee draws a monthly basic salary in the range of Rs 29000 and up to Rs 40000;
- (e) individual officers, irrespective of their grades, not entitled to any duty remission, but have to perform, from time to time, official travelling by car on a regular basis may be granted, subject to the approval of the Supervising Officer, loan facilities of up to 21 months' salary refundable in 84 monthly instalments for the purchase of a car of up to eight years old with no duty remission;
- (f) individual officers drawing a monthly salary of Rs 22000 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 Officer, loan facilities to purchase a car on the same terms and conditions as at sub-paragraph (e) above;
- (g) officers not entitled to duty remission on a car, but who are eligible for loan facilities to purchase a car, may be allowed to acquire a car of up to eight years old. The car can be renewed after seven years have elapsed from the date of purchase or when the car has reached 11 years as from the date of first registration, whichever is earlier provided outstanding loan, if any, is cleared. The quantum of loan should not exceed 15 months' salary and refund should be made in 60 monthly instalments for a second and subsequent purchase;
- (h) eligible officers who have taken advantage of loan facilities for the purchase of a car/motorcycle either for the first time or for renewal and who do not produce documentary evidence of the purchase, would be required to refund the amount of loan together with the interest accrued thereon by a date determined by the Accountant-General and would forego the privilege of the grant of another loan until the time he would qualify anew after the prescribed period; and
- (i) officers in the above categories who have availed of loan facilities for the purchase of a car should pay interest at the rate of 7.5% per annum on reimbursement of same.

### Motor Cycle Loans

- 18.2.50 Certain categories of Officers who are required to perform extensive travelling on motor cycle and whose grades are listed at **Annex III** are granted loan facilities equivalent to the duty-free price of the autocycle/motorcycle but not exceeding 15 months' salary at interest rate of 7.5% per annum and refundable in 84 monthly instalments.
- 18.2.51 Officers are allowed to renew their motorcycle/autocycle after seven years as from the date of purchase and are then entitled to loan facilities and duty remission on the same terms and conditions as for their first purchase.
- 18.2.52 Officers who are eligible for duty-free motorcycle/autocycle but in receipt of a monthly salary of Rs 12200 or more or a salary in a scale the minimum of which is not less than Rs 8200 a month are allowed to opt for loan facilities of up to 21 months' salary at an interest rate of 7.5% per annum, refundable in 84 monthly instalments for the purchase of a car of up to eight years old without duty remission.
- 18.2.53 The above provisions are still valid and we are maintaining them, save for a revision of the salary level.

### Recommendation 16

- 18.2.54 We recommend that officers in the grades listed at Annex III of this Volume who are eligible for duty remission on an autocycle/motorcycle with engine capacity of up to 150 c.c. should continue to benefit from loan facilities equivalent to the duty-free price of the autocycle/motorcycle but not exceeding 15 months' salary, refundable in 84 monthly instalments, at 7.5% interest rate for the purchase of same. They shall also be eligible to renew their autocycle/motorcycle within the same engine capacity on the same terms and conditions.**

### Recommendation 17

- 18.2.55 We recommend that:**
- (i) officers who are eligible for duty remission on auto cycle/motorcycle and in receipt of a monthly salary of Rs 17800 and above or are drawing salary in a scale the minimum of which is not less than Rs 12000 would be eligible for loan facilities for the purchase of a car of up to eight years old on the same terms and conditions as at paragraph 18.2.49 (e).**
  - (ii) Officers in the above category would be eligible for refund of mileage and renewal of loan as per provisions at paragraphs 18.2.71 (No. 5) and 18.2.49 (g) respectively and would not be entitled to any duty remission on the car.**

### **Motorcycle Loan to Officers not Entitled to Duty Remission**

- 18.2.56 Individual officers, irrespective of their grades, who are required to attend duty on a fairly regular basis at such time when public transport and/or official transport is not available, are 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 auto cycle or a motorcycle with engine capacity of up to 150 c.c., subject to the approval of their Supervising Officer. These individual officers are not entitled to duty remission on the autocycle/motorcycle.
- 18.2.57 The loan facilities have equally been extended to officers who have to attend different sites of work on the same day in the performance of their duties.
- 18.2.58 We are maintaining the present provisions, save for a revision of the salary level.

### **Recommendation 18**

- 18.2.59 We recommend that Individual officers drawing salary in a scale the maximum of which is not less than Rs 14600 a month and required to attend duty on a fairly regular basis at such time when 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 only for the purchase of an auto cycle or motorcycle (without duty remission) with engine capacity of up to 150 c.c. as per terms and conditions at paragraph 18.2.54.**

### **Bicycle Loans**

- 18.2.60 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. We are maintaining these provisions

### **Recommendation 19**

- 18.2.61 We recommend that officers who are required to use their bicycle for official travelling should be granted loan facilities equivalent to its market price at interest rate of 7.5% refundable in not more than 84 monthly instalments.**

### **Refund of Loan in the Absence of Documentary Evidence**

- 18.2.62 Eligible officers who have availed of loan facilities for the purchase or renewal of a car/motorcycle and have failed to produce relevant documentary evidence to that effect, are bound to refund the loan together with interest accrued thereon. These provisions are being maintained.

## **Recommendation 20**

**18.2.63 We recommend that an eligible officer who has taken advantage of loan facilities and subsequently fails to produce documentary evidence in respect of the purchase of the vehicle, should refund same and any interest accrued thereon by a date set by the Accountant-General. Furthermore, he would qualify for loan facilities anew only at the normal time of renewal that is after five or seven years, whichever is applicable.**

## **Loan Facilities for the Purchase of Cars to Officers/Advisers on Contract**

18.2.64 Expatriates and Mauritian nationals employed on contract basis are allowed to benefit from similar loan facilities as substantive officers serving in the Public Sector at corresponding levels, subject to subscribing a bank guarantee to cover the amount of loan. However, Advisers/Officers on contract drawing a government pension are not required to subscribe a bank guarantee.

18.2.65 Advisers/Officers, including expatriates, who are unable to subscribe to a bank guarantee are granted loan facilities equivalent to 12 months' salary and the gratuity equivalent to 25% of their annual salary is retained until the outstanding loan, if any, is reimbursed.

18.2.66 Representations have been received from concerned officers on contract employment that the retention of their gratuity causes some hardship the moreso that the monthly instalments for car loan are deducted from their salary. They have made a plea that the full quantum of their gratuity be paid to them after completion of every 12 months' continuous service. We have considered this issue and we are agreeable to their requests, except for the payment of gratuity on termination or expiry of contract in case same is not renewed.

## **Recommendation 21**

**18.2.67 We recommend that:**

- (i) expatriates and Advisers/Officers of Mauritian nationality, employed on contract basis, may be granted loan facilities in accordance with what obtain for officers at corresponding grades/salary levels in the Civil Service subject to production of a bank guarantee covering the full amount of the loan;**
- (ii) advisers/officers on contractual employment who are drawing a retirement pension from the Government would be eligible for loan facilities as at sub-paragraph (i) above, without having to produce a bank guarantee;**

- (iii) advisers/officers including expatriates who cannot subscribe to a bank guarantee covering the full amount of loan to which they are entitled to by virtue of their position may be granted loan facilities up to a maximum of 12 months' salary at interest rate of 7.5% per annum refundable in 48 monthly instalments subject to the conditions that they are legally bound to reimburse, forthwith, the outstanding loan on termination or expiry of contract;
- (iv) advisers/officers on contract employment who have already taken loan facilities without subscribing to a bank guarantee would be allowed to draw their gratuity subject to the condition that they are legally bound to reimburse any outstanding loan on termination or expiry of contract; and
- (v) advisers/officers on contract employment who have taken advantage of loan facilities from the Accountant-General Department and/or 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.



### Section III – Travelling Allowances, Travel Grant and Refund of Travelling Expenses

- 18.2.68 The various quanta of travelling allowances including the travel grant and rates of refund of travelling expenses paid to public officers as from 1 July 2003 were computed on the basis of the price of petrol, average car price and related fixed costs prior to that date. These allowances and mileage rates were subsequently reviewed with the increase in the price of petrol whenever the need arose.
- 18.2.69 Representations have been made by Staff Unions to index the travelling allowances and rates of mileage to the prevailing price of petrol on the local market. Considering that (a) the price of petrol on the local market may fluctuate from one quarter to another; (b) indexing may mean adjustment either upward or downward; and (c) the administrative inconvenience of adjusting on a quarterly basis, it is not considered advisable to change the present system of ensuring an increase whenever the price exceeds a certain level.
- 18.2.70 In this Report, we are recomputing the various travelling allowances and rates of mileage based on the price of petrol and cars as well as their fixed cost up to 30 June 2008. These rates would be subject to revision, as and when necessary.

#### Recommendation 22

- 18.2.71 We recommend that the monthly travelling allowances and mileage rates for the corresponding beneficiaries be revised as per table below:**

No.	Categories of Officers	Travelling Allowances/Mileage Rates
1.	Officers drawing Rs 66000 or more a month and eligible for 100% duty remission on a car of up to 1850 c.c. but not qualifying for a chauffeur/self driven car.	A fixed cost allowance of Rs 2275 a month together with a monthly travelling allowance of Rs 8480 <b>OR</b> mileage at the rate specified at (No. 5) (ii) below together with a monthly car allowance of Rs 2880 in case officers perform official travelling during the month.
2.	Officers drawing a monthly salary of Rs 41250 but less than Rs 66000 including officers whose grades are mentioned at (No. 3) of paragraph 18.2.19 who are eligible for 100% duty remission for the purchase of a car.	A monthly travelling allowance of Rs 8480 <b>OR</b> payment of mileage at the rate specified at (No. 5) (ii) below together with a monthly car allowance of Rs 2880 in case officers perform official travelling during the month.

No.	Categories of Officers	Travelling Allowances/Mileage Rates
3.	Officers drawing a monthly salary of Rs 29000 and up to Rs 40000 and who are not eligible for 100% duty remission but own a car.	A monthly travel grant of Rs 5500.
4.	Officers drawing a monthly salary of Rs 27200 and Rs 28000 as well as those drawing salary of Rs 29000 and up to Rs 40000 a month and not qualifying for travel grant as at (No. 3) above.	A monthly travelling allowance of Rs 2000  OR refund of bus fares, whichever is higher.
5.	Officers performing official travelling by car but not eligible for travel grant/travelling allowance.	(i) Rs 8.60 per km for the first 800 km.  (ii) Rs 5.00 per km for mileage in excess of 800 km.  (iii) Rs 5.00 per km for distance which is not considered as official mileage (from residence to office) on days on which officers are required to carry out field duties.
6.	Officers performing official travelling by motorcycle.	(i) Rs 2.55 per km for official travelling.  (ii) Rs 1.80 per km for distance not considered as official travelling (from residence to office) on days on which officers are required to carry out field duties.
7.	Officers performing official travelling by autocycle.	(i) Rs 2.10 per km for official travelling.  (ii) Rs 1.40 per km for distance not considered as official travelling (from residence to office) on days on which officers are required to carry out field duties.

### **Recommendation 23**

#### **18.2.72 We recommend that:**

- (i) officers specified at (No. 1) and (No. 2) and those at (No. 3) of paragraph 18.2.71 above would be eligible for a monthly commuted allowance of Rs 3500 and Rs 2400 respectively if during a whole calendar month the beneficiary was on approved leave with pay locally or abroad or on study leave with pay or on official mission;
- (ii) officers specified at (No. 1), (No. 2) and (No. 3) at paragraph 18.2.71 above should compulsorily use their car for official travelling, whenever required. However, officers specified at (no. 2 and (No. 3) should not necessarily attend office by car on days they are not required to perform official travelling, but would have to make their own arrangements to return home; and
- (iii) officers in receipt of a travel grant and performing official travelling should be paid either a monthly travel grant of Rs 5500 or a monthly commuted allowance of Rs 2880 together with mileage for attending duty and for official travelling at the rate of Rs 5.00 per km, whichever is higher. The latter option would be applicable only in case the officer performs official travelling during the month.

**18.2.73 We further recommend that the provisions in respect of officers in the categories specified at (No. 1) to (No. 5) at paragraph 18.2.71 should also apply to Advisers on contract employment.**

#### **Refund of Mileage Allowance to Officers Performing Official Travelling by Car and entitled to a Travelling Allowance and Travel Grant**

18.2.74 Officers performing field duties and who are in receipt of a travelling allowance or a travel grant may opt for a reduced monthly commuted allowance together with refund of mileage at appropriate rates. We are maintaining this option.

### **Recommendation 24**

#### **18.2.75 We recommend that:**

- (i) officers entitled to a travelling allowance or a travel grant as per the provisions of (No. 1), (No. 2) and (No. 3) of paragraph 18.2.71 may be allowed to opt for the payment of a monthly car allowance of Rs 2880 together with refund of mileage allowance at the rate of Rs 5.00 per km in lieu of the travelling allowance/travel grant, provided they perform official travelling in that month;

- (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 distance from residence to office, at the rate of Rs 5.00 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;
- (iii) officers serving in organisations where the incremental date is 1 January of the year and officers who are already eligible or would have been eligible for a travel grant on 1 January 2009 but with this Report would not qualify for same as from this date, should be entitled on a personal basis, for loan facilities on terms and conditions set out at paragraphs 18.2.49 (d) and (g) and payment of a travel grant/monthly commuted allowance as at paragraph 18.2.71 (No. 3) and (No. 4) as from 1 January 2009 whichever is applicable;
- (iv) officers who are already eligible or those drawing a monthly salary of Rs 18800 as at 30 June 2008 and would have been eligible for a travel grant on 1 July 2008, but with this Report would not qualify for same as from this date, should be entitled on a personal basis for loan facilities on terms and conditions set out at paragraphs 18.2.49 (d) and (g) and payment of a travel grant/monthly commuted allowance as at paragraph 18.2.71 (No. 3) and (No. 4) as from 1 July 2008, whichever is applicable; and
- (v) officers using their autocycles/motorcycles to attend duty should be refunded, on days on which they are required to carry out field duties, the distance from residence to office, at the rate of Rs 1.40 per km for autocycles and Rs 1.80 per km for motorcycles or be refunded travelling by bus, whichever is higher.

#### **Travelling Benefits during Pre-Retirement Leave and for Officers upon Reinstatement**

18.2.76 Officers eligible for a monthly commuted travelling allowance or travel grant are paid same during their pre-retirement leave even if they do not attend duty at all in a month. This measure encourages officers to enjoy fully their leave prior to retirement and has generally put an end to the previous practice whereby officers attend duty once or twice in a month only to benefit from the refund of travelling thereby affecting the delivery of the service adversely.

- 18.2.77 On the other hand, representations have been received from Federations of Unions of the Civil Service that interdicted officers should, upon their reinstatement, be paid the commuted allowance to compensate for expenses incurred to meet the fixed costs of their car.
- 18.2.78 We are maintaining and enlarging the existing provisions for the smooth running of the service.

### **Recommendation 25**

#### **18.2.79 We recommend that:**

- (i) **officers entitled to a monthly commuted travelling allowance or travel grant as specified at (No. 1) to (No. 3) of paragraph 18.2.71 should continue to draw same during their pre-retirement leave even if they do not attend duty at all in a month;**
- (ii) **officers as specified at paragraph 18.2.72 (i) who were entitled to a commuted travelling allowance/travel grant prior to their interdiction, should be paid the monthly commuted allowance of either Rs 3500 or Rs 2400 whichever is applicable, upon their reinstatement, provided they owned a car during the interdiction period;**
- (iii) **officers as specified at (No. 1) to (No. 4) of paragraph 18.2.19 who are in receipt of a monthly car allowance in lieu of duty remission should continue to draw same during their pre-retirement leave; and**
- (iv) **officers entitled to a travel grant only as specified at (No. 3) of paragraph 18.2.71 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 has not been required, should be paid a monthly commuted allowance of Rs 2400.**

#### **Refund of Car Mileage Allowance to Officers not entitled to a Travel Grant**

- 18.2.80 Officers not in receipt of a travel grant and who perform official travelling by car are refunded mileage allowance for distance between office and site of work. These officers are also refunded the running costs for the distance not considered as official mileage on days on which they are required to use their car for official travelling. Furthermore, the refund of mileage allowance for official travelling on distance covered between office and site of work should be computed in consideration of the most economical route.

## **Recommendation 26**

**18.2.81 We recommend that officers who are required to perform official travelling but are not eligible for a travel grant should be refunded mileage allowance for days on which they are required to carry out field duties at the rates specified at (No. 5) of paragraph 18.2.71.**

### **Adjustment in the Refund of Official Travelling Expenses on a Financial Year Basis**

18.2.82 The present refund of costs for official travelling is made at the rate of Rs 8.60 for the first 800 km to cover both fixed and variable costs, and at the rate of Rs 5.00 for official mileage in excess of 800 km on a month-to-month basis.

18.2.83 Generally, the quantum of official distance travelled varies from month to month according to fluctuations in the extent of field duties. Officers may perform official travelling of less than 800 km in one month and more than 800 km in another. Therefore, in such cases, the refund of travelling expenses is readjusted at the end of each financial year to ensure that the higher rate is applied on an aggregate of up to a maximum of 9600 km over the period of twelve months.

18.2.84 Representations have been made by certain officers, who by the nature of their work, are regularly required to perform official travelling for a specific period of the year and are not eligible for refund of mileage up to an aggregate of 9600 km in a financial year.

18.2.85 We have considered this issue, and are of the view that appropriate refund of mileage allowance should be extended to such categories of officers to assist them towards the fixed costs incurred in respect of their car over the financial year.

18.2.86 We are maintaining the provisions regarding the adjustment of refund of mileage allowance on an aggregate distance of 9600 km and extending same to officers who use their car for official travelling during regular specific periods of the year.

## **Recommendation 27**

**18.2.87 We recommend that:**

- (i) the refund of official mileage on the aggregate distance travelled by field officers in any financial year should be recomputed at the rate of Rs 8.60 per km (or at such corresponding rates as may be determined from time to time) for up to a maximum of 9600 km and Rs 5.00 for distance in excess of 9600 km and reimbursement, if any, be made to eligible officers;**

- (ii) the provisions of the recommendation at paragraph (i) above should be applicable to officers who are required to work during a specific period for a duration of five or more months in each year; and
- (iii) the provisions at paragraph (i) above would be applicable on a pro-rata basis to officers proceeding on leave with or without pay for a period exceeding three months.

### **Refund of Travelling by Bus**

- 18.2.88 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.
- 18.2.89 Officers, on permanent and pensionable establishment, are refunded their monthly travelling 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.
- 18.2.90 Officers working on shift and those serving in a temporary capacity are refunded 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, subject to the approval of the MCSAR.
- 18.2.91 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.
- 18.2.92 Representations have been received from Primary School Teachers and Secondary School Teachers to the effect that they have to attend among others, training, workshops and seminars during school holidays. We have considered this issue in this Report.

### **Recommendation 28**

- 18.2.93 The present mode of refund of travelling expenses to employees for attending duty by bus should be maintained. As regards the refund of travelling expenses to Primary School Teachers and Secondary School Teachers, computation for such refund should be based on 16 days a month and 15 days a month respectively.**

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

18.2.94 Some officers use their own means of transport other than car to attend duty and are paid a monthly travelling allowance of Rs 220 or the amount representing refund of bus fares for attending work during the month, whichever is the higher.

### **Recommendation 29**

**18.2.95 We recommend that the monthly travelling allowance payable to officers who use their own means of transport to attend duty be revised to Rs 265 or the amount which would have been refundable by bus for attending work during the month, whichever is the higher.**

### **Official Travelling by Bus**

18.2.96 Officers who are required to perform official travelling by bus are refunded the cost of the bus fares incurred *in toto*. We are maintaining this provision.

### **Recommendation 30**

**18.2.97 We recommend that employees who are required to perform official travelling by bus should continue to be refunded their bus fares *in toto*.**

### **Bicycle Allowance**

18.2.98 Officers performing official travelling on bicycle are paid a monthly allowance of Rs 135. However, those who have to use their bicycles on bad roads are paid an additional sum of Rs 45 monthly. We are maintaining this provision while reviewing the allowances.

### **Recommendation 31**

**18.2.99 We recommend that the monthly allowance payable to:**

- (i) officers performing official travelling on bicycle be revised to Rs 175.**
- (ii) officers using their bicycle on bad roads be revised to Rs 60 monthly.**

### **Walking Allowance**

18.2.100 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 110.

### **Recommendation 32**

**18.2.101 We recommend that the monthly walking allowance of Rs 110 be revised to Rs 150. The walking allowance should also be paid to Rodriguan officers, wherever applicable.**



### **Refund of Bus Fares to Physically Handicapped Public Officers**

18.2.102 Staff Associations have made representations that certain employees who suffer from physical disabilities (foot and limb) face considerable difficulties to walk from their residence or office to catch a bus. Under normal conditions employees are refunded bus fares whenever the distance for any trip between residence to office exceeds 1.6 km by the most economical route. We have considered the plea made on behalf of officers suffering from physical disabilities and are of the view that the restriction of 1.6 km to this category of officers may be waived in certain instances.

### **Recommendation 33**

18.2.103 **We recommend that officers who suffer from a physical disability (foot/leg/limb) that impedes them from walking at a normal pace may be refunded, subject to the approval of their Supervising Officer, bus fares from residence to office and back inclusive of trips for distance of less than 1.6 km.**

18.2.104 **We also recommend that subject to the approval of the MCSAR the provisions of the above recommendation may on production of a medical certificate from a Government Medical Officer be extended, on a case to case basis, to an officer though not suffering from a physical disability but who faces more or less the same sort of problem to attend duty and back.**

18.2.105 **We further recommend that officers, who on account of the operational needs of the organisation have to leave office late in the evening, may be refunded travelling expenses on an alternative route due to security reasons, subject to the approval of the Supervising Officer.**

## **Section IV – Official Government Car Scheme**

### **Official Car Benefits**

- 18.2.106 At present, Judges and officers drawing a monthly salary of Rs 47500 and above are eligible for the exclusive use of a government official car, both for official travelling and private use. Beneficiaries are required to bear the costs of “routine maintenance” such as washing, cleaning, waxing and tyre repairs and to provide shelter for the car.
- 18.2.107 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 45000 benefit from the exclusive use of a self-driven government car, both for official and private use.
- 18.2.108 The monetary value of the private use of the official car, as determined by the High Powered Committee, is included in the computation of retirement benefits of beneficiaries irrespective of whether they have taken advantage of the car or not. Beneficiaries also have to pay tax in respect of the use of the car for private purposes.
- 18.2.109 On retiring at the age of 50 years or more, beneficiaries are also allowed to purchase the official car on the terms and conditions as determined by the High Powered Committee or purchase a new car, on which duty is remitted, within the prescribed ceiling.
- 18.2.110 Beneficiaries of the official government car are allowed, in lieu thereof, to opt for the purchase of a car on which 100% excise duty is remitted provided the duty deferred price lies within the prescribed ceiling value of the official car to which they are entitled to. The car is renewable every five years or as may be determined by the High Powered Committee.
- 18.2.111 The duty-free certificate issued to the beneficiaries who are eligible for 100% duty remission on car, on retiring at the age of 50 and above, remains valid as from the date they proceed on pre-retirement leave up to six months after the effective date of their retirement.

### **The Official Car Scheme**

- 18.2.112 The chauffeur-driven car scheme, introduced some 25 years ago for the benefit of officers at the level of Permanent Secretary and above, has been extended to a few officers below the level of Permanent Secretary in the 2003 PRB Report. The views expressed in certain quarters that this benefit is over generous, are misconceived both from the point of view of external comparison and internal alignment. Senior employees at comparable level in

the Private Sector has a pay package which is more than thrice as high and still are eligible for company cars run at the cost of the organisation. While there is need to bridge the gap between the remuneration package obtained in the Private Sector and the Public Sector in order to attract and retain professionals at the higher echelon of the Public Sector, it is not advisable for reasons of social acceptability to integrate the benefits in the pay package. On the whole, therefore, this benefit has to be maintained as an important perquisite to retain and motivate incumbents of high calibre, besides it being an indispensable tool for beneficiaries.

- 18.2.113 In line with our policy to increase the choices given to public officers for greater motivation, we are maintaining the provision of personalised official car while introducing other options in lieu thereof, i.e. duty remission to purchase a car together with a monthly cash allowance. We are equally harmonising the different renewal periods for official cars.

**Recommendation 34**

- 18.2.114 We recommend that Judges and Accounting/Responsible Officers drawing a monthly salary of Rs 75000 and above as well as officers drawing a monthly salary of Rs 80000 and above though not an Accounting/Responsible Officer may opt for**

**Either**

**a government car, within the prescribed ceiling, for official use as well as for private purposes together with the payment of fuel allowances and a driver's allowance of Rs 7000 or the services of a driver wherever applicable**

**Or**

**100% duty exemption for the purchase of a car within the appropriate ceiling value together with loan facilities up to the corresponding ceiling value reimbursable in 60 monthly instalments at the rate of interest of 7.5% per annum; and a monthly car allowance, in lieu of the official car, as determined by the High Powered Committee and a monthly driver's allowance of Rs 7000.**

- 18.2.115 We further recommend that officers who wish to renew their duty remitted car purchased on terms and conditions as laid down at above should, at the expiry of the five-year period, 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.**

### **Recommendation 35**

**18.2.116 We recommend that the High Powered Committee should continue to look into the provisions regarding other benefits related to chauffeur-driven/self-driven government cars such as petrol allowances, services of a driver and the monetary value for private use of car for pension purposes except for the renewal period which is dealt with in the ensuing paragraphs.**

### **Ceiling Value and Renewal Period for Chauffeur-Driven/Self-Driven Government Car**

18.2.117 Officers in the Public Service including those of the Parastatal and Other Statutory Bodies, Local Authorities and the Rodrigues Regional Assembly are eligible for official/chauffeur-driven/self-driven cars within a prescribed ceiling according to status and salary levels. Accounting and Responsible Officers and officers of the level of Permanent Secretary and above are allowed to renew their official car every five years but officers drawing salary of Rs 65000 and above are eligible for renewal of their official car every three years.

18.2.118 Presently, brand new cars purchased from public funds are serviced according to the manufacturer's maintenance schedule at main car dealers' workshops with a view to keeping the vehicles in very good running condition. The frequency of renewal is considered uneconomical.

18.2.119 Moreover, brand new cars maintained regularly at government costs, have generally a road worthiness of not less than five years and cannot therefore be considered unsafe for passengers for that period; thus the need to review the present renewal periods. We, therefore, consider that the present renewal periods can be extended without undue hardship to the beneficiaries.

18.2.120 We are making appropriate recommendations to maintain the car benefits for this category of officers at a reasonable level while making specific provisions for present beneficiaries.

### **Recommendation 36**

**18.2.121 We recommend that:**

- (i) as from 1 July 2008 the renewal period of government official cars allocated to beneficiaries should be five years, except for Judges and officers of this level and above;**
- (ii) an officer qualifying for an official car and who opts for same in lieu of a car allowance should in the first instance be allocated a car of up to five years old from the pool, if available or a brand new car within the corresponding ceiling value, subject to availability of funds;**

- (iii) an officer who has been allocated an official car from the pool would be allowed to renew this car on its reaching five years as from the date of first registration by another one of less than five years;
- (iv) the renewal period of official cars for Judges and officers at that level would continue to be looked into by the High Powered Committee; and
- (v) beneficiaries in post as at 30 June 2008 who qualify under the existing scheme for renewal of their official car at interval of less than five years should be allowed to retain same in the case of a last renewal and subject to the condition that the beneficiary undertakes to purchase the car at the time of retirement.

18.2.122 We additionally recommend that beneficiaries of official cars may be allowed to top up the difference between the duty deferred price of the car and their entitlement, in terms of ceiling value, subject to the following conditions:

- (a) they undertake, at the time of retirement, to purchase the car at its normal depreciated price.
- (b) they agree that government would not bear any additional liability that may be attributed to the topping up amount in case the car is damaged in an accident.

#### **Services of Driver/Driver's Allowance**

18.2.123 Judges and Chief Executives/Responsible and Accounting Officers of Ministries/Departments who were drawing salary of Rs 34270 and above as at 30 June 2003 were eligible for either the services of a driver on the establishment of the organisation or were paid an all inclusive allowance in lieu of the services of a driver.

18.2.124 Officers including Chief Executives/Responsible and Accounting Officers appointed on or after 1 July 2003 and drawing salary of Rs 47500 or more as from 1 July 2003 were eligible for an official car and paid an allowance in lieu of the services of a driver. Officers in this category could, 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.

18.2.125 The provisions at paragraphs 18.2.113 and 18.2.114 above also apply to officers of Parastatal and other Statutory Bodies, Town Clerks of Municipal Councils and Secretaries of District Councils.

18.2.126 We are maintaining the present provisions for the services of either a driver or driver's allowance in respect of the different categories of officers.

**Recommendation 37**

**18.2.127 We recommend that:**

- (i) **Judges and Chief Executives/Responsible and Accounting Officers of Ministries/Departments who were drawing salary of Rs 47500 and above as at 30 June 2008 and who have been provided with the services of a driver on the establishment of the organisation may continue with the present arrangement or may opt for the driver's allowance in lieu of the services of a driver.**
- (ii) **Officers including Chief Executives/Responsible and Accounting Officers appointed on or after 1 July 2008 and drawing salary of Rs 80000 or more would be eligible for a driver's allowance in lieu of the services of a driver. However, subject to the approval of the High Powered Committee, such officers may 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.**

**Official Car (Chauffeur-Driven/Self-Driven) to Officers on Leave/Mission or in Acting/Temporary Capacity**

**Retention of Official Car during period of leave abroad and payment of petrol allowance**

18.2.128 Beneficiaries of official car are allowed to retain same while on leave/mission abroad and are eligible for the payment of the monthly fuel allowance. We have in this Report provided for an option for the purchase of a duty deferred car within a ceiling value together with a monthly car allowance in lieu of the official car. We are, therefore, making provisions to allow beneficiaries to continue to retain either their official car or continue to draw the monthly car allowance in lieu thereof.

**Recommendation 38**

**18.2.129 We recommend that:**

- (i) **Officers entitled to an official car (Chauffeur-Driven/Self-Driven), may continue to retain the responsibility of the car or continue to draw the monthly car allowance in lieu of the official car, while on mission abroad or leave with pay for a period of up to six months. This recommendation should also apply to beneficiaries in our missions abroad; and**

- (ii) **The High Powered Committee shall continue to examine, on a case to case basis, requests for the retention of government cars or the payment of the monthly car allowance in lieu thereof to officers proceeding on leave with pay for the period in excess of six months.**

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

18.2.130 Officers of the level of Permanent Secretary and above who may be called upon to work regularly beyond normal office hours for long periods are at present eligible, subject to the approval of the High Powered Committee, for the purchase of a car on which duty is deferred. The argument in favour of this provision was the non-availability of the official car for use by the family as the officer is often retained beyond normal working hours and very often unexpectedly. We are maintaining the present scheme with certain modifications.

#### **Recommendation 39**

**18.2.131 We recommend that requests from eligible officers for duty remission for the purchase of another car over and above their present entitlement to an official car should continue to be looked into by the High Powered Committee on a case-to-case basis. However this remission should be restricted to a single purchase.**

#### **Allocation of Official Car to Officers Appointed in a Temporary Capacity**

18.2.132 Presently, an officer appointed in a temporary capacity in a post carrying the benefit of an official 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 and wherever applicable. The present arrangements are adequate and are maintained. We are also providing the possibility for the officer to opt for the payment of a car allowance in lieu of the official car.

#### **Recommendation 40**

**18.2.133 We recommend that officers appointed in a temporary capacity in post carrying the benefit of an official car should continue to be provided with a government/organisation car from the pool both for official travelling and private purposes. Such officer may be provided with the services of a driver from the organisation, if available.**

**18.2.134 We also recommend that an officer appointed in a temporary capacity in a grade carrying the benefit of an official car may be allowed to opt for the payment of a monthly car allowance, in lieu of the official car, together with the payment of a monthly petrol allowance as may be determined by the High Powered Committee. The officer would also be eligible for the monthly driver's allowance of Rs 7000.**

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

18.2.135 We are likewise maintaining the existing provisions regarding the allocation of an official car during period of actingship/assignment of duties and also providing opportunities for eligible officers to opt for payment of a monthly car allowance in lieu of the official car.

**Recommendation 41**

**18.2.136 We recommend that officers appointed to act or assigned duties:**

- (i) in a position of an Accounting/Responsible Officer carrying a monthly salary of Rs 75000; or
- (ii) in a post carrying a salary of Rs 80000 and above;

and for which actingship or assignment of duties is made on the basis of seniority or selection by the relevant Service Commissions or Board against vacancies or temporary vacancies which would become permanent or vice an officer in a substantive capacity who proceed on leave with pay or on mission for a period exceeding one year may subject to the approval of the High Powered Committee exceptionally be granted either the use of a government/organisation car along with the services of a driver of the organisation, if available, or a cash allowance in lieu of the official car and a driver's allowance OR a driver from the relevant pool of drivers, if available.

**Recommendation 42**

**18.2.137 We recommend that the High Powered Committee would continue to look into, on a case-to-case basis, the extension of the recommendation at paragraph 18.2.136 to an officer acting in a grade carrying a monthly salary of at least Rs 80000 though not in an Accounting/Responsible position.**

**Chauffeur-Driven Car Benefit to Officers Assigned the Duties at the level of Permanent Secretary and above**

18.2.138 We are maintaining the existing provisions for officers assigned duties at the level of Permanent Secretary (e.g. that of Administrator, Office of the President and Secretary, Public and Disciplined Forces Service Commissions) pending the implementation of that recommendation concerning the posting of officers in the grade of Permanent Secretary to carry out the duties and shoulder responsibilities of the latter grades.



### **Recommendation 43**

**18.2.139 We recommend that :**

- (i) officers assigned the duties of the post of Secretary to the President (formerly Administrator, Office of the President) and Secretary, Public and Disciplined Forces 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 the official car or be provided with a car from the pool until their substantive appointment or may opt for a monthly car allowance in lieu thereof. Such officers would also be eligible for a driver's allowance in lieu of the services of a driver or may seek the approval of the High Powered Committee for the services of a driver;**
- (ii) officers who have opted for the payment of a monthly car allowance in lieu of an official car while occupying the post of Secretary to the President (formerly Administrator, Office of the President) and Secretary, Public and Disciplined Forces Service Commissions may continue to draw this allowance until their substantive appointment.; and**
- (iii) officers retiring in the capacity of Secretary to the President (formerly Administrator, Office of the President) or Secretary, Public and Disciplined Forces Service Commissions would be eligible for the monetary benefits of the private use of the official car for pension purposes, even if they have opted for the payment of the car allowance in lieu of the official car.**

### **Self-Driven Official Car**

#### **Changes in Entitlement**

### **Recommendation 44**

**18.2.140 We further recommend that officers who have taken advantage of a self-driven government car and subsequently qualify for a chauffeur-driven car and a driver's allowance should be eligible for a new official car or a car of less than five years old from the pool, within the prescribed ceiling only after five years have elapsed as from the date of purchase (first registration) of the self-driven car.**

### **Car/Travelling Benefits during Pre-Retirement Leave**

#### **Retention of Car, Payment of Petrol and Driver's Allowances**

**18.2.141 Officers allocated a chauffeur/self-driven government car are presently authorised to retain the car while on pre-retirement leave and are paid the full monthly fuel allowance during this period. While we are maintaining this benefit, we are making provision to allow the officer to opt for a monthly car allowance in lieu of the official car during the pre-retirement leave as well.**

**Recommendation 45**

**18.2.142 We recommend that:**

- (i) beneficiaries of a chauffeur/self-driven government car, may during their pre-retirement leave, either continue to retain their car and be paid the monthly fuel allowance or opt for the payment of a monthly car allowance in lieu of the chauffeur/self driven government car along with the fuel allowance;
- (ii) beneficiaries of an official car who on pre-retirement leave opt for a cash allowance in lieu of the official car would automatically be eligible for a driver's allowance in lieu of the services of a driver;
- (iii) beneficiaries of an official car who have opted or who opt, while proceeding on leave prior to retirement, for the payment of a driver's allowance in lieu of the services of a driver would benefit from same during their pre-retirement leave;
- (iv) beneficiaries proceeding on retirement at the age of 50 or more, may either opt to purchase the official car allocated to them on such terms and conditions as may be determined by the High Powered Committee or purchase a new car the duty-free value of which should not exceed the prescribed ceiling except for those officers who have opted to top up the difference between the duty deferred price of the car and their corresponding ceiling entitlement;
- (v) beneficiaries who have opted for a cash allowance in lieu of the official car, may while proceeding on retirement at the age of 50 or more either purchase a car of less than five years from the pool, if available, on terms and conditions as may be determined by the High Powered Committee or purchase a new car as per terms and conditions enunciated at paragraph (iv) above;
- (vi) the duty free certificate issued to officers eligible for 100% duty remission on a car, on retiring at the age of 50 and above, should remain valid as from the date they proceed on pre-retirement leave up to six months after the effective date of their retirement; and
- (vii) an officer who opts for a monthly car allowance in lieu of the official car would also be eligible for the fuel allowance and a driver's allowance in lieu of the services of a driver.

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

18.2.143 An officer, who at the time of retirement, has already purchased the chauffeur-driven/official car allotted to him or a new duty-free car in lieu thereof and is subsequently employed on a new contract which qualifies him for another chauffeur-driven/official car or a new duty-free car is authorised to purchase the second official/duty free car only after a period of five years from the date of purchase of the last official car.

18.2.144 Representations were received from certain officers who had purchased the official car allocated to them at the time of retirement and which car was three or four years old. With the existing provisions, they had to run cars of eight to nine years old and have submitted that the maintenance costs are quite high. We have considered their requests, which are fair and reasonable, and are making appropriate recommendations.

### **Recommendation 46**

18.2.145 We recommend that:

- (i)
  - (a) **contract officers appointed in the capacity of Responsible and Accounting Officer against established posts may be granted the benefit of a chauffeur-driven car and other car benefits as per terms and conditions at paragraphs 18.2.114 as appropriate or may opt for the payment of a monthly car allowance in lieu of the official car;**
  - (b) **the beneficiary who opts for the use of the official car 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;**
  - (c) **in case the contract officer opts to purchase a duty-deferred car in lieu of a chauffeur-driven car, he would be allowed to take advantage of loan facilities subject to provisions at paragraph 18.2.67;**
- (ii) **an officer who at the time of retirement purchased the official car allocated to him or a new duty-free car in lieu thereof and who is subsequently employed on a new contract at a level qualifying him for another official car or a new duty-free car may opt to purchase another official/duty-free car only after a period of five years has elapsed from the date the car was first registered or for the payment of a monthly car allowance in lieu of the official car. Such an officer would also be eligible for fuel allowance and a driver's allowance;**
- (iii) **A Contract Officer appointed in an executive capacity but not in a Responsible and Accounting position against an established post may be granted the respective car benefit as applicable for corresponding grades in the service, except for loan facilities which shall be as per provisions at paragraphs 18.2.49 and 18.2.67.**

## Section V – Other Recommendations

### Travel Grant and Loan Facilities

- 18.2.146 Advisers/Officers on contract employment drawing a monthly salary in the range of Rs 19400 and up to Rs 27200, and not eligible for 100% duty remission on a car, are paid a monthly travel grant to use their car to attend duty.
- 18.2.147 Advisers/Officers employed on contract in the capacity of professionals such as Medical and Health Officer/Senior Medical and Health Officers, Dental Surgeon/Senior Dental Surgeons, District Magistrates, State Counsels, State Attorneys, Quantity Surveyors, Engineers, Occupational Safety and Health Engineers, Architects, Planners, Planning Officers (Local Authorities), Town & Country Planning Officers, Senior Town & Country Planning Officers, Pharmacists and Veterinary Officers are also entitled to 100% duty remission on a car of up to 1500 c.c. and travelling allowances of Rs 7375 a month.

### Recommendation 47

- 18.2.148 **We recommend that Advisers/Officers on contract employment not entitled to 100% duty remission on a car, but drawing a monthly salary in the range of Rs 29000 and up to Rs 40000 would be eligible for a monthly travel grant of Rs 5500 and should use their car for official purposes whenever required.**
- 18.2.149 **We also recommend that Advisers/Officers employed in the capacity of professionals as mentioned at paragraph 18.2.19 (No. 3) would be eligible for 100% duty remission on a car together with loan facilities on terms and conditions specified at paragraph 18.2.67 and travelling allowances as at paragraph 18.2.71 (No. 2).**

### Reimbursement of Excise Duty by Advisers/Officers on Contract Employment

- 18.2.150 Contracts of employment differ in duration, that is, some may last for less than a year whilst others last for a few years. As duty remission is granted to contract officers for the purchase of cars, to be used in the performance of their duties, it should be binding on such officers 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.
- 18.2.151 Retired public officers re-employed on contract and who have benefited from duty remission on a car are not allowed to purchase another duty free car within a period of five or seven years as from the date of the last purchase of the duty remitted car. They are required to reimburse proportionate duty in case the car is sold within four years as from the date it was last purchased. We are making appropriate recommendations to reflect the existing provisions.

**Recommendation 48**

**18.2.152 We recommend that:**

- (i) **Advisers/Officers on contract employment who have benefited from duty remission on the purchase of a car should reimburse excise 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;**
- (ii) **the Supervising Officer of the Ministry/Department should inform:**
  - (a) **the Advisers/Officers on contract employment of the provisions regarding the repayment of outstanding loans and excise duty at the time of the offer of contract of employment; and**
  - (b) **the Customs Department of the Mauritius Revenue Authority of the termination and/or expiry of contract of each beneficiary for the purpose of recovery of excise duty, if any.**
- (iii) **a retired public officer who has benefited from duty remission on a car and subsequently qualifies for same, by virtue of employment on contract, would not be allowed to purchase another duty free car within a period of five or seven years, whichever is applicable, as from the date the officer last purchased the duty remitted car; and**
- (iv) **a contract officer who has benefited from duty remission on a car should, in line with the recommendation at paragraph 18.2.24 (c), pay proportionate duty if same is sold within four years as from the date of its purchase.**

**Other Related Provisions**

**Recommendation 49**

**18.2.153 We recommend that wherever the term “salary” is used in the Chapter (Travelling and Car Benefits) of this Volume, it is deemed to read “basic salary”.**

**Recommendation 50**

**18.2.154 We recommend that in the context of a policy to promote a “Clean and Green Environment”, the provision as regards the options for higher engine capacity than the normal entitlement may be subject to review.**

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

### *18.3 PASSAGE BENEFIT SCHEME*

- 18.3.1 The Passage Benefit Scheme was introduced in the colonial days to provide passages to expatriates serving in Mauritius for allowing them to return to their homeland after a tour of service. Later on, Mauritian civil servants were also granted this benefit with a view to providing them the opportunity to spend their vacation abroad and allowing senior officers to update their knowledge in their respective fields. Gradually, officers at lower levels employed on permanent and pensionable establishment were also allowed to take advantage of this scheme subject to certain conditions.
- 18.3.2 Over the years, the scheme was modified to provide officers air mileage linked with salary levels and on the cost per mile based on the group tour air fare Mauritius-London-Mauritius at the time of travel or as a percentage of the annual salary, whichever was the higher.
- 18.3.3 At present, officers on permanent and pensionable establishment drawing a minimum monthly salary of Rs 13000 or reckoning at least 10 years' service earn passage benefit at the rate of 5% of their annual gross salaries 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. Exceptionally, in case of medical emergency, the prevailing rate at the time of travel is applicable.
- 18.3.4 The passage benefit is used not only for the purchase of air tickets but also for meeting expenses incurred for vacation at inland hotels/recreational resorts.
- 18.3.5 Officers do 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, probationary period and leave without pay.
- 18.3.6 Officers are allowed to use accumulated passage benefit only if the balance standing to their credit is Rs 12000 or more. However, spouses who are both civil servants are allowed to use their passage benefit provided they have jointly accumulated an aggregate of not less than Rs 24000.
- 18.3.7 Officers are also allowed to make use of their accumulated passage benefit as hereunder:
- (a) for travel purposes for themselves and for the 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;

- (b) in favour of children aged up to 27 years old following full time course in a tertiary institution locally once in five years;
  - (c) in favour of their mother and/or father;
  - (d) 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;
  - (e) for spending vacation at inland hotels/recreational resorts and may 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
  - (f) to cash *in toto* all passage benefit standing to their credit at the time of retirement.
- 18.3.8 Public officers and officers of Parastatal and Other Statutory Bodies as well as officers of Local Authorities have also been allowed to make use of their accumulated passage benefit to meet the costs of examination fees for their wards.
- 18.3.9 On the demise of a beneficiary, the outstanding benefit is paid *in toto* to the heirs.
- 18.3.10 Representations have been received to the effect that:
- (a) dependent children up to 27 years old following full time courses locally in a tertiary institution should also be allowed to travel abroad on the same basis as those dependent children up to 27 years old following courses in a tertiary institution abroad;
  - (b) the age limit of dependent children studying either locally or abroad should be extended from 27 years to 30 years on the ground that many students go for post graduate studies in their late twenties;
  - (c) the staff serving in our missions abroad cannot take advantage of the provision governing the encashment of accumulated passage benefit for spending vacation at inland hotels/recreational resorts; and
  - (d) the floor value of the accumulated passage benefit be reduced from Rs 12000 to Rs 10000 on the ground that employees at lower levels take a longer time to earn any quantum of passage benefit compared to employees in the higher echelon.
- 18.3.11 We have examined the above representations and are of the view that certain modifications need to be made to the present scheme.

### Recommendation 1

#### 18.3.12 We recommend that:

- (a) officers on permanent and pensionable establishment drawing a minimum monthly salary of Rs 19000 or reckoning at least eight 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. Exceptionally, in case of medical emergency, the rate at the time of travel will be applicable; and
- (b) officers should 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, probationary period and leave without pay.

### Recommendation 2

#### 18.3.13 We also recommend that beneficiaries be allowed:

- A. to make use of their accumulated passage benefit
  - (i) for travel purposes for themselves and for the immediate members of their families namely spouses and dependent children below 21 years as well as for their dependent children aged up to 30 years old and who are following full time course in a tertiary institution either locally or abroad;
  - (ii) for travel purposes in favour of their mother and/or father;
  - (iii) to meet the costs 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; and
  - (iv) for medical treatment for themselves overseas;
- B. to cash *in toto* all passage benefits standing to their credit at the time of retirement.

### Recommendation 3

#### 18.3.14 We further recommend that:

- (a) officers would be allowed to use their accumulated passage benefit provided that the balance to their credit stands at Rs 10000 or more. If both spouses are civil servants, they would be allowed to use their passage benefit provided they have jointly accumulated an aggregate of not less than Rs 20000;



- (b) Officers may cash part or the whole amount of their accumulated passage benefit for spending vacation at inland hotels/recreational resorts provided they produce documentary evidence to that effect and their accumulated passage benefit is not less than Rs 10000;
- (c) Officers serving in our missions abroad may cash part or the whole amount of their accumulated passage benefit for spending vacation abroad in hotels/recreational resorts provided they produce documentary evidence to that effect and their accumulated passage benefit is not less than Rs 10000;
- (d) Public officers and officers of Parastatal and Other Statutory Bodies as well as officers of Local Authorities should be allowed to make use of their accumulated passage benefit to meet the fees in connection with SC and HSC examinations for their wards, even if the balance standing to their credit may be less than Rs 10000; and
- (e) On the demise of a beneficiary, the outstanding benefit should be paid *in toto* to the heirs.

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## 18.4 LEAVE

- 18.4.1 Rest is a natural physiological need for every human being making physical and/or mental effort. This need is required daily so he normally rests at night to recuperate for the next day of work. At times, he is compelled to be off his daily routine to attend to other important events in his life or when he is sick. Also he needs after regular intervals a break, usually of a longer period, from his routine activities. Hence, the concept of paid leave to workers evolved.
- 18.4.2 Paid leave is one of the basic benefits forming part of the compensation package offered to workers in most types of employment. Essentially, paid leave is a situation in which the employee is away from the workplace with authorisation of the employer or according to terms and conditions of employment, but continues to receive salary or wages during that period of time. Paid leave takes several different forms such as casual/annual leave, vacation leave, sick leave and maternity leave.
- 18.4.3 In the Public Service, the most common types of leave are casual, vacation, sick and maternity leave. Public Officers are also granted in specific circumstances other types of paid leave e.g. injury leave and study leave. Moreover, employees can also apply for leave without pay in other acceptable circumstances.

### **Casual Leave**

- 18.4.4 Casual leave is meant to cover brief absences in foreseen and unforeseen circumstances for attending to personal matters including religious obligations.
- 18.4.5 Under current provisions, each employee, on the permanent and pensionable establishment, after completing twelve months' continuous service, is eligible for 11 working days' casual leave annually. The grant of such leave is governed by certain conditions which we are maintaining.

### **Representations received**

- 18.4.6 Representations have been received from staff associations for an increase in the number of casual leave and for the introduction of new types of leave such as Compassionate, Paternity and Funeral Leave.
- 18.4.7 In view of the various types and quantum of leave already available to employees, we consider that the leave provisions in the Public Service are, by any standard, generous when compared internationally. We are, therefore, not in favour of any further increase in the number of casual leave. Instead, we are recommending an increase in the number of days of accumulated vacation leave that can be used as casual leave.

### **Recommendation 1**

#### **18.4.8 We recommend that:**

- (i) the quantum of casual leave should continue to be 11 working days;**
- (ii) an employee who has exhausted his casual leave may be allowed to take, in any calendar year, up to five days from his total accumulated vacation leave which may be taken either at a stretch or on and off;**
- (iii) an employee may, in addition to the provision at (ii) above, be allowed to take up to three days out of his vacation leave in case of the demise of a near relative or to look after the family around the time of his child's birth; and**
- (iv) Supervising Officers should continue, as far as possible, to monitor the application and approval of casual leave, which should be granted subject to prior approval. In exceptional cases, where leave has been taken prior to approval on ground of unforeseen circumstances, Supervising Officers should satisfy themselves of the reasonableness of the grounds prior to sanctioning such leave. Otherwise, it should be considered as unauthorised.**

### **Recommendation 2**

#### **18.4.9 We also recommend that the following provisions for the grant of casual leave be maintained:**

- (i) The leave may be spent locally or overseas and can be combined with vacation leave only in cases where by taking either casual or vacation leave alone the number of days required cannot be made up.**
- (ii) Leave is taken in the same calendar year it falls due and it is normally non-accumulative. However, if due to exigencies of the service, an employee cannot be released to take part or his entire casual leave entitlement in the year it falls due, he may be allowed to carry over such leave to the following year up to the maximum of two-year entitlement.**
- (iii) An employee, appointed in a substantive capacity whether directly or after a period of temporary service of less than one year, is eligible for casual leave on a pro-rata basis in the year of appointment.**

- (iv) **An employee serving in a casual/temporary capacity for more than a year, on being appointed in a substantive capacity, is eligible for the full quantum of casual leave less annual leave already taken since the beginning of the year.**
- (v) **An employee who has served for a period of less than a complete calendar year for any of the following reasons: leave prior to retirement; resignation; leave with/without pay; injury leave; and interdiction shall be eligible to the full quantum of casual leave for the year.**

### **Casual Leave on Saturday for officers working on a six-day week basis**

18.4.10 At present, casual leave taken on a Saturday by an officer working on a six-day week basis is counted as a full day leave although he works only for half a day. We have received requests for such leave to be considered as half a day's casual leave. This request is considered to be justified. We are, therefore, making an appropriate recommendation.

### **Recommendation 3**

18.4.11 **We recommend that absences on a Saturday, for employees working on a six-day week basis and scheduled to work up to a maximum of four hours on Saturdays, should be counted as half a day's casual leave.**

### **Annual Leave (for Employees not holding Substantive Appointment)**

18.4.12 At present, employees not holding a substantive appointment are, after completing one year's continuous service, entitled to annual leave in lieu of casual and vacation leave. Those working on a five-day week basis are entitled to 14 working days annual leave whereas those on six-day week are eligible for 16 working days.

18.4.13 Trainees other than Trainee Teachers (primary and secondary), Students and Apprentices are also eligible to the same entitlement. Trainee Teachers (primary and secondary) are eligible to 10 working days of annual leave after the first year of training.

18.4.14 The above provisions are reasonable and still valid. We, therefore, do not recommend any change in this respect.

### **Recommendation 4**

18.4.15 **Those employees not holding a substantive appointment after one year's continuous service and working on a five-day week basis should continue to be entitled to 14 working days of annual leave. Officers working on a six-day week basis should be eligible for 16 working days.**

- 18.4.16 We also maintain the provision for 10 working days of annual leave after the first year of training for Trainee Teachers of the primary and secondary schools.**

#### **Annual Leave for Part-time Employees**

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

#### **Recommendation 5**

- 18.4.18 We recommend that the quantum of annual leave for part-time employees, who have been in continuous employment for a period of 12 consecutive months, should continue to be 14 working days in the case of part-time work that covers five days or more in a week. In the case of part-time work of less than five days a week, the number of annual leave should be pro-rated. A day of leave is reckoned as the day or part thereof the employee is expected to be on duty.**

#### **Vacation Leave**

- 18.4.19 Vacation Leave is one of the various types of paid leave to which employees on permanent and pensionable establishment are eligible. It is earned by virtue of effective service and computed on a pro-rata basis in respect of the actual period served from the date of appointment in a substantive capacity. Vacation leave, unlike casual leave, is normally accumulative and can be spent either locally or abroad at beneficiary's option but is not granted in advance.
- 18.4.20 Vacation leave enables employees to have a complete break from the normal work routine and activities and provides the opportunity for mental and physical relaxation for a reasonably long period. It also caters for convalescence purposes and at times for attending to personal obligations. As it enables officers to come back to their desk refreshed and revitalised, it is often argued that the output or quality of work may improve after such vacation, to the benefit of the service. Therefore, allowing employees to proceed on vacation leave is of benefit to the employer.

#### **Conditions governing Vacation Leave**

- 18.4.21 Employees may enjoy their vacation leave more than once in a year but the minimum grantable period is seven days to be taken at a stretch except where it is granted as casual leave when it can be taken either on or off or at a stretch but subject to a maximum of five working days. Employees may also be allowed to combine their casual leave with their vacation leave whenever the number of days' leave required, casual or vacation, is insufficient.

18.4.22 Vacation Leave is not earned during any of the following periods:

- vacation leave taken
- 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
- interdiction

**Present Vacation Leave Earning Rate and Ceiling**

18.4.23 At present, the provisions regarding vacation leave for employees on the permanent and pensionable establishment as well as for Teachers of the Pre-primary, Primary and Secondary Schools and Trainers/Training Officers and Instructors of the Industrial and Vocational Training Board (IVTB) are as set out in the table below:

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

18.4.24 Officers in the teaching profession do not earn vacation leave during periods of school holidays except for those periods when they are in attendance officially.

18.4.25 Representations have been made to the Bureau for an increase in the ceiling of accumulation of vacation leave in the light of recommended changes regarding the retirement age. We have examined the demand in detail and consider that there is justification to increase the ceiling of vacation leave that can be accumulated. We are, therefore, increasing the ceiling of the maximum leave that can be accumulated.

**Recommendation 6**

**18.4.26 We recommend that:**

- (i) the annual vacation leave earning rate and the maximum leave that can be accumulated for employees on the permanent and pensionable establishment, including Teachers of the Pre-Primary, Primary and Secondary Schools and Trainers/Training Officers and Instructors of the IVTB be as per the table given below.

Length of Service (in years)	Leave Earning Rate per Annum (in days)	Maximum leave that can be accumulated (in days)
Up to 5	25	105
5+ to 10	30	140
10+ to 15	35	175
Over 15	35	210

- (ii) Teachers of the Pre-Primary, Primary and Secondary Schools should not earn vacation leave during school holidays save 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 Human Resources in Volume II of this Report.

**Recommendation 7**

**18.4.27 We further recommend that the conditions related to the purpose and grant of vacation leave as at paragraphs 18.4.19 to 18.4.22 and 18.4.24 be maintained save that the maximum vacation leave that can be used as casual leave may be increased by a further period of three days to cater for absences in case of the demise of a near relative or to look after the family around the time of a child’s birth.**

**Length of Service**

**18.4.28** Currently, periods of break or leave without pay or secondment to bodies or organisations (with or without approved service status) are discounted from the length of service qualifying for vacation leave. We are not recommending any change in that respect.

**Recommendation 8**

**18.4.29** Periods of break or leave without pay or secondment to bodies or organisations (whether approved service or not) should continue to be discounted from the length of service qualifying for vacation leave.

### Monitoring of Vacation Leave

- 18.4.30 It has been observed that very often employees eligible for vacation leave would first accumulate their leave entitlement up to the authorised ceiling before starting to enjoy such leave. This tendency should be discouraged.
- 18.4.31 Given the importance and purpose of vacation leave, all employees should be encouraged to take their vacation leave or at least part of their entitlement every year. Supervising Officers should ensure that, at the beginning of every calendar year, **a proper plan for vacation leave scheduling** be established and that appropriate arrangements be made for the release of employees who apply for vacation leave with a view to better balancing employees needs with work place demands. In case of any subsequent change in the vacation leave plan, officers should give adequate notice to allow for adjustments needed to meet work requirements.

### Recommendation 9

- 18.4.32 **We recommend that Supervising Officers and Heads of Departments should ensure that:**
- (a) **employees are allowed to take periodic breaks from their work and enjoy, as far as possible, their vacation leave entitlement or part of it every year; and**
  - (b) **a 'leave plan' is established at the start of every calendar year to avoid conflicting situations and to minimise disruption in the smooth running of business.**

### Accumulation of Vacation Leave above Authorised Ceiling

- 18.4.33 At present, accumulation of vacation leave may be sanctioned above the authorised ceiling in certain specific areas namely:
- (a) **Sensitive and Critical/Essential Areas**  
Where the services, with a small establishment size of one or two officers, are of vital importance involving either policy formulation at the highest level or forming part of personnel responsible for security of the state or of essential services where the release of the incumbent(s) would cause serious disruption of work.
  - (b) **Scarcity Areas/Skills in Short Supply**  
For 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 would not be able to cope with the total work load during the absence of the colleague(s) on leave.

18.4.34 The above exceptions prevent disruption of the smooth despatch of business in these sensitive/critical areas and in the specified circumstances. Moreover, the employees concerned do not forego their leave. This practice should, therefore, be maintained.

**Recommendation 10**

**18.4.35 We recommend that:**

**(i) any officer falling in areas specified at paragraph 18.4.33 (a) and (b) above should only be authorised to earn and accumulate 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 acceded to, due to the exigencies of the service as well as the date he could be granted such leave.**

**(ii) the recommendation at sub paragraph (i) above should also apply to an officer falling under 18.4.33 (c) and who cannot be granted leave due to the exigencies of service, provided approval of the Ministry of Civil Service and Administrative Reforms (MCSAR) is obtained.**

**(iii) all outstanding leave accumulated over and above the normal maximum entitlement i.e. from the date the officer would have proceeded on vacation leave up to the date he could be released for such leave, should be kept in a separate account to be known as the 'Beyond Ceiling Vacation Leave Account'. Such leave 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 last monthly salary per day.**

- (iv) **the amount of leave taken by an officer who has accumulated vacation leave beyond the 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.**

### **Sick Leave**

- 18.4.36 Sick leave is another form of paid leave to which employees are eligible whenever they are genuinely ill and cannot attend work or for the purpose of convalescence and medical check-up.
- 18.4.37 Absence from duty on ground of illness is considered as sick leave only when sanctioned by the Supervising Officer. An employee who is sick and cannot attend duty must inform his immediate supervisor as far as possible on the same day in the morning to avoid disruption of activities. On resumption of duty, he submits an application for sick leave to cover his absence stating the nature of his illness. For absences of more than three consecutive working days, the officer must invariably furnish a medical certificate in the morning of the fifth day.
- 18.4.38 Whenever a Supervising Officer suspects malingering on the part of any employee reporting sick, he may require the latter to submit a medical certificate for any period of absence on ground of illness.
- 18.4.39 The attention of the Bureau has been drawn to top management’s concern regarding the abuse of sick leave. Such abuse inevitably disrupts work and affects service delivery hence productivity. Moreover, employees having to replace the absentees, take over additional responsibilities become strained and frustrated. The effect of unjustified absenteeism in certain organisations may be so serious that services are affected or can even be stopped.
- 18.4.40 In order to curb such absenteeism, the Bureau, in its previous reports, made provisions for financial inducement to discourage employees from making an abuse of unjustified sick leave and take advantage of the leave only when they are genuinely sick.

### **Survey on Sick Leave**

- 18.4.41 In the context of this Report, a survey was carried out with a view to identifying any particular trend or pattern as regards sick leave taken to assess the effectiveness of the provisions made in the 2003 PRB Report.
- 18.4.42 Around 1000 employees working in the major Ministries/Departments, Parastatal and other Statutory Bodies, Local Authorities, Rodrigues Regional Assembly and the Private Secondary Schools were sampled for the survey.

## Survey Findings

- 18.4.43 An analysis of the questionnaires duly filled in and returned to the Bureau, has revealed a decline in the sick leave taken yearly from “up to 10 days” to “up to 5 days”. The tendency has been observed in the technical, administrative and professional grades as well as in the support services. The same tendency has been noted in the Police and Prisons Departments as well as in major sectors like Education and Agriculture.
- 18.4.44 In the Parastatal and other Statutory Bodies and Local Authorities, it has been found that a majority of employees take only up to five days of sick leave yearly. For instance, in the Health Inspectorate Cadre, 58% of employees surveyed took up to five days of sick leave yearly while 22% of them took up to 10 days. Similarly, around 46% of Refuse Collectors have taken between 1-5 days as against 17% who have taken 6-10 days.
- 18.4.45 As compared to the figures for the years 2002 and 2003, when a majority of officers were taking 6-10 days of sick leave, there is a marked change. Undoubtedly, the survey confirms that the improvement in sick leave records of employees results from the positive impact of recommendations made so far by the Bureau.
- 18.4.46 As there is still a relatively high percentage of employees who take up to 10 days of sick leave yearly or more, the Bureau is of the view that it will be in the interest of the service to provide further inducement so as to deter such category of employees from taking sick leave on flimsy grounds.
- 18.4.47 After a thorough examination of all representations and proposals received from both the staff unions and management/official side and the analysis of our survey, we have come to the conclusions that on the whole the current provisions of sick leave are still relevant and valid. We are, therefore, maintaining the existing provisions while making specific recommendations regarding such sectors where absences can impact adversely on the quality of service.

## Recommendation 11

- 18.4.48 **We are maintaining the following provisions of sick leave for officers appointed in a substantive capacity:**
- (i) **21 working days’ sick leave on full pay every calendar year;**
  - (ii) **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;

- (iii) 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;
- (iv) on retirement, sick leave accumulated in bank should either be cashed in full or taken as leave prior to retirement;
- (v) in case of resignation from employment in the Public Service, officers should be paid the total value (100%) of accumulated sick leave, if any; and
- (vi) on the demise of an officer, the total value (100%) of accumulated sick leave should be paid to his heir(s).

#### **Bank and Refund of Sick Leave**

18.4.49 To discourage the abuse of sick leave, the concept of ‘Bank’ sick leave was introduced to allow qualified officers to bank the sick leave not taken at the end of each calendar year up to a maximum of 90 days. Beyond the ceiling of 90 days, the officer is authorised to cash part of the annual entitlement of sick leave not taken.

18.4.50 The Federation of Unions has requested that the current provisions regarding bank of sick leave be improved. The Bureau considers that there is a case for reviewing the present ceiling of bank sick leave, particularly in line with our policy to curb absenteeism.

#### **Recommendation 12**

18.4.51 We recommend that sick leave not taken at the end of every calendar year should be accumulated up to a new “bank” maximum of 110 days, subject to the provisions of paragraph 18.4.52 for officers in post as at 30 June 2008.

**Recommendation 13**

**18.4.52** We recommend that all sick leave not taken at the end of the year should be accumulated until a new “bank” maximum is reached for the corresponding year as per table below beyond which refund would be made:

Year	‘Bank’ Maximum beyond which Refund would be made
2008	95
2009	100
2010	105
2011	110

**18.4.53** We further recommend that as from the year 2012 after the “bank” maximum (110) has been reached, sick leave unutilised at the end of the year, out of the annual entitlement of 21 working days, up to a maximum of 16 days should be paid in cash at the rate of 1/22 of monthly salary a day.

**18.4.54** With the new “bank” ceiling, the “bank” maximum beyond which refund would be made is being increased gradually. However, to ensure that officers in post are not deprived of their financial benefits in relation to sick leave, we are making special provisions for those officers who are in post as at 30 June 2008.

**Recommendation 14**

**18.4.55** We recommend that, after the Bank maximum as per table at paragraph 18.4.52 has been reached (i.e. 95 in year 2008, 100 in year 2009, 105 in year 2010, 110 in year 2011), sick 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 continue to be paid in cash at the rate of 1/22 of monthly salary a day. Any remaining balance of sick leave not taken over and above the 11 days up to a maximum of five days be refunded at 1/44 of monthly salary a day.

**Recommendation 15**

**18.4.56** We further recommend that officers who on 1 July 1993 had more than 90 days sick leave and had opted to retain the sick leave in excess of 90 days to be taken as leave prior to retirement or to be cashed should retain them on a personal basis irrespective of the new ceilings recommended at paragraph 18.4.52. Consequently this excess should not be considered for the purpose of implementation of the provisions above.

### **Sick Leave Abroad**

18.4.57 Presently, any period of illness abroad, on expiry of any period of vacation leave, is on no pay except for the period the officer is hospitalised. Representations have been received for the grant of sick leave to genuinely sick officers who have to undergo part of their treatment as outpatient abroad. We have favourably considered this request in specified circumstances.

### **Recommendation 16**

**18.4.58 We are maintaining that any period of illness abroad, on expiry of any period of leave (vacation, casual, study leave with or without pay), should be on no pay except for the period an officer is hospitalised.**

**18.4.59 We, however, recommend that consideration should be given, on a case to case basis, to grant sick leave to officers who produce documentary evidence, as approved by the Ministry of Health and Quality of Life, certifying that they should proceed abroad for medical treatment not available locally even though no hospitalisation is warranted.**

### **Sick Leave Entitlement for Employees not holding a Substantive Appointment**

18.4.60 The existing provisions for public sector employees who do not hold a substantive post but have been in continuous service for a period of one year are being maintained as hereunder:

- (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 at (ii) above and the further 62 days' sick leave on half pay at (iii) above are deemed to be grantable over a period of one year.**
- (v) **Any paid sick leave in excess of the 12 working days at (i) above is considered as an advance and is to be refunded at the prescribed rate, on the officer being appointed substantively; and**
- (vi) **unutilised sick leave 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 per day.**

### **Sick Leave to Part-time Employees**

18.4.61 The existing provisions for sick leave for part-time employees and for refund of unutilised sick leave are likewise being maintained as hereunder:

- (i) **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, should continue to be eligible for sick leave on a pro-rata basis depending on the number of hours of work per week based upon the principle of 12 working days' sick leave annually for a 40-hour working week.**
- (ii) **Sick leave unutilised at the end of the year out of the annual entitlement of 12 working days, up to a maximum of six days, should be paid in cash each year at the rate of 1/22 of the monthly salary per day.**
- (iii) **The refund of unutilised sick leave in respect of a part-time employee who puts in less than 40 hours of work weekly should be computed on a pro-rata basis depending on the number of hours of work per week.**

### **Monitoring of Sick Leave**

18.4.62 On account of the high costs associated with absenteeism and its negative effects on delivery of service and productivity, we made in the 2003 PRB Report appropriate recommendations for Supervising Officers to strengthen control on the abuse of sick leave. These are still valid and should continue to be implemented. We are reproducing below these recommendations.

- (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 Supervising 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 Supervising Officer may initiate action for his retirement in the interest of the public service in accordance with the regulations in force.**

## Maternity Leave

- 18.4.63 Maternity Leave is designed to give expectant mothers the possibility of withdrawing from work in the later stages of their pregnancy and to allow them some time to recuperate after childbirth. The right for maternity leave is enshrined in the ILO Maternity Protection Convention which has been ratified by the Government of Mauritius.
- 18.4.64 Maternity Leave can be taken to cover periods of absence both prior to and after delivery. A maximum of four weeks of such leave can be taken prior to delivery. Additionally, time off for pre-natal treatment is granted against sick, casual, vacation or annual leave entitlement.
- 18.4.65 At present, a female public officer holding a substantive appointment or having completed one year's continuous service is eligible for 12 weeks of maternity leave on full pay for each confinement, subject to a maximum of three. For any subsequent confinement, the officer can opt to take vacation leave or leave without pay.
- 18.4.66 Officers who do not hold a substantive appointment or who have not completed one year's continuous service, are eligible to leave without pay for confinement.
- 18.4.67 We are maintaining the current provisions for maternity leave which comply with the ILO Maternity Protection Convention ratified by Mauritius and are also making provisions for the grant of leave without pay or leave on half pay following maternity leave.

## Recommendation 17

### 18.4.68 We recommend that:

- (i) a female officer holding a substantive appointment or having completed one year's continuous service, should continue to be eligible to 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 female officer gives birth to a stillborn child, she may, upon production of a medical certificate:
  - either
  - (a) cover her absence as 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 female officer for attending prenatal treatment be reckoned against either sick or casual or vacation leave or annual leave entitlement of the officer.

#### **Leave after Confinement**

- 18.4.69 At present, female officers may, at the end of the maternity leave, take additional leave to look after their new born. They may also combine their maternity leave with periods of vacation leave and leave without pay.
- 18.4.70 We have received representations that a longer period of leave would enable mothers to better nurse their babies and allow them to recuperate particularly when they have undergone surgical treatment. Some officers have also showed preference to work on reduced and/or flexible hours.
- 18.4.71 In European countries like UK, Denmark and Sweden schemes have been designed to improve work-life balance wherein mothers are given the option to work part-time on a longer period instead of proceeding on leave without pay to be able to devote enough time to baby care while staying connected with the workplace.
- 18.4.72 We consider that improving on existing provisions would further contribute to strike a right balance between work life and family obligations. However, it would be invidious to try and replicate what is obtainable elsewhere on this issue on account of the different working and economic environment. Instead we are of the view that Management may make the appropriate working arrangements to support mothers with care-giving responsibilities by allowing them to opt, after maternity leave, for **either** (a) leave without pay **or** (b) part-time employment for say half the working time on half pay.

#### **Recommendation 18**

- 18.4.73 **We recommend that, subject to the exigencies of the service, female public officers, in the period of 12 months following the expiry of maternity leave taken may in addition to vacation leave:**

**either**

- (i) take a maximum of nine months leave without pay ;
- or
- (ii) six months leave without pay followed by six months part-time employment for half the working time on half pay.

### **Leave to Fathers**

- 18.4.74 At present, male officers are given priority to take vacation leave following confinement of their wife.
- 18.4.75 In case of demise of the mother after delivery, sympathetic consideration is given for the grant of leave, either casual or vacation, to the father to look after the newly born child.
- 18.4.76 Representations have been made to grant parental leave to male officers to look after a newly born child following the demise of the mother after delivery.
- 18.4.77 The Bureau has examined the issue at length and considers that in case a mother dies after giving birth to a child, the father should be allowed to take leave equal to the unused portion of the maternity leave to which the deceased mother was eligible to look after the baby.

### **Recommendation 19**

- 18.4.78 We recommend that priority of consideration be given for the grant of vacation leave to male officers following confinement of their wife.**

### **Recommendation 20**

- 18.4.79 We further recommend that:**
- (i) around the time of child birth, fathers may take their normal casual leave entitlement as well as up to eight days from their accumulated vacation leave, which is inclusive of the normal five days accumulative leave normally taken on and off, on the same basis as casual leave, i.e. either at a stretch or on and off;**
  - (ii) following the demise of a working wife after delivery of a non still born child, the husband holding a substantive appointment or having completed one year's continuous service should be granted parental leave on full pay of a duration equal to the unused portion of the maternity leave which the deceased wife was entitled; and**
  - (iii) In the case of the demise of a non-working wife after delivery of a non still born child, the husband holding a substantive appointment or having completed one year's continuous service should be granted parental leave on full pay equivalent to the hypothetical unused maternity leave computed as from the date of delivery.**

### **Study Leave with Pay**

18.4.80 The existing provisions for the grant of study leave with pay are as hereunder:

- (a) *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. The period of study leave with full pay starts from the day the course begins to the day the course/examination ends.*
- (b) *For overseas courses, an officer is granted two additional days of paid leave for travelling each way, from and to Mauritius.*
- (c) *An officer who wishes to await the result of his examination before resuming duty is granted, on application, an extension of leave. Such extension is either reckoned against his earned vacation leave or as leave without pay, as the case may be.*
- (d) *An officer who fails his examinations is on submission of relevant documentary evidence, granted an extension of study leave up to a maximum of three months on half pay immediately following the examination results. Any extension beyond three months shall be without pay. Any extension of leave either on half pay or without pay may be reckoned against the officer's earned vacation leave if he so wishes.*
- (e) *An officer who takes vacation leave in lieu of study leave following examination results automatically foregoes the study leave on half pay.*
- (f) *However, an officer may be allowed to combine his vacation leave with study leave on half pay where the former leave is not adequate to make up for the three months' leave. The aggregate of leave taken should, however, not be more than three months.*

**18.4.81 We are maintaining the present arrangements as above for the grant of study leave with pay which are still valid.**

### **Leave Without Pay**

18.4.82 The present provisions of leave without pay as recommended, in the 2003 PRB Report is applicable exclusively to officers holding a substantive appointment except, for leave taken following confinement.

- 18.4.83 Leave Without Pay is granted, subject to the interest and exigencies of the service, to allow officers to take up employment in:
- (i) Parastatal and other Statutory Bodies or other approved services;
  - (ii) the Private Sector in Mauritius;
  - (iii) International Organisations of which Mauritius is a member;
  - (iv) member countries of regional organisation like SADC; and
  - (v) foreign countries under schemes approved by Government.
- 18.4.84 The leave is also granted to officers to accompany their spouse employed in international organisations overseas, of which Mauritius is a member; in foreign countries under Government approved schemes and in member countries of regional organisation.
- 18.4.85 Special provisions exist to grant leave without pay to serving employees to pursue higher studies and for private purposes as well as to female employees for maternity and/or to look after new born babies.
- 18.4.86 Different views have been expressed on the present provisions of leave without pay. On the one hand, the staff side has submitted that the grant of leave without pay has now become too stringent and restrictive and is defeating the very purpose for which it was designed. On the other hand, Management considers that prolonged absences of officers cause serious disruptions in the proper functioning of organisations and would not wish that the present provisions be enlarged except in certain specific circumstances.
- 18.4.87 While we consider that there is need to facilitate mobility among sectors and allow people to take advantage of better prospects outside the service, we are equally concerned with the need to ensure that there is no disruption in the despatch of business for efficient and effective service delivery.
- 18.4.88 After careful consideration of the arguments put forward, we are maintaining those provisions considered adequate while enlarging and improving the others in a way that should not affect the performance of organisations.

#### **Recommendation 21**

- 18.4.89 The grant of leave without pay, subject to the interest and exigencies of the Public Service, should, as at present, be applicable exclusively to officers holding a substantive appointment except for leave taken following confinement. The other provisions are being maintained as follows:**
- (i) Leave without pay to take up employment in:**
    - (a) parastatal and other statutory bodies as well as in other institutions with approved service status, should be limited to the probationary period of employment up to a maximum aggregate period of two years over a period of 10 years subject to the provisions of sub paragraph (v) below.**

- (b) the Private Sector in Mauritius, should be for an aggregate period not exceeding one year over a period of 10 years subject to the provisions of sub paragraph (v) below.
  - (c) International Organisations (of which Mauritius is a member), foreign countries under a scheme approved by Government, and member countries of regional organisation like SADC, should be for the duration of the initial contract.
- (ii) Leave without pay to accompany spouses, who are public officers proceeding on approved leave or who are not public officers 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 initial contract the spouses would be required to serve.
  - (iii) An officer who has benefited from maternity leave with full pay for three confinements should, on application, be granted Leave without pay for a period of up to 12 weeks in the event of subsequent confinements.
  - (iv) For other private purposes, including family commitment, Leave Without Pay should not exceed an aggregate of 90 days that can be taken in a maximum number of three times every 10 years subject to the provisions of sub paragraph (v) below.
  - (v) For the purpose of implementation of sub paragraphs (i) (a) and (b) & (iv) above and paragraphs 18.4.94, 18.4.97 and 18.4.102 below, the period of 10 years shall be deemed to have taken effect on 1 July 2003 for officers who have taken advantage of these provisions.

**Extension of Leave Without Pay to take up employment in an International Private/Multinational Company**

- 18.4.90 Leave without pay is granted to an officer to take up employment in the Private Sector in Mauritius. Such leave, which is for an aggregate period not exceeding one year over a period of 10 years, is not presently granted to take a job overseas.
- 18.4.91 A situation may arise where an officer having been granted leave without pay to serve in the Mauritius branch of an international private/multinational company, is called upon to serve in the foreign branch of the same company.

- 18.4.92 In such situation and as per current provisions the officer would no longer be eligible to leave without pay and would either have to refuse the posting or resign from the service.
- 18.4.93 We consider that in such circumstances, this condition of service should be made flexible and we recommend accordingly.

#### **Recommendation 22**

- 18.4.94 We recommend that an officer who has been granted leave without pay for one year over a period of ten years to take up employment in a Mauritian Branch of an international private/multinational company may with the approval of the MCSAR be allowed to take advantage of the leave without pay or for part of the year in the event of an overseas posting in the same company subject to the provisions of sub paragraph (v) above.**

#### **Leave Without Pay to explore possibility for Emigration**

- 18.4.95 The staff side has submitted that leave without pay to explore possibility for emigration be reinstated. They claim that many officers take a combination of other forms of leave (*study leave without pay, vacation leave, leave without pay for personal reasons*) and proceed abroad with a view to settling there.
- 18.4.96 The Bureau has examined the request and is of the view that uncontrolled grant of leave without pay to explore the possibility for emigration may cause a drain of talent from the Public Sector as it is generally the most qualified, trained and experienced who tend to emigrate. We are in favour of the reintroduction of leave without pay for emigration purposes except for those working in areas where there is a scarcity of expertise/talent and/or where replacement or retention is difficult.

#### **Recommendation 23**

- 18.4.97 We recommend that, subject to the exigencies of service, leave without pay to explore the possibility for emigration may be granted to public officers for an aggregate period of one year over a period of 10 years except to those in scarcity areas or where replacement is not easily available and retention is difficult or where training at government expense has been for a year or more subject to the provisions of paragraph 18.4.89 (v) above.**

#### **Leave Without Pay to Start a Business**

- 18.4.98 In line with its vision to create a nation of creative and innovative entrepreneur, Government is encouraging the establishment of new/joint businesses under the Enterprise Empowerment Programme.

- 18.4.99 Representations have been received to extend the grant of leave without pay to officers willing to start a business of their own particularly under the Empowerment Programme.
- 18.4.100 Under the present provisions, the whole time of an officer should be at the service of the government and he is not permitted to undertake private work for reward. However, an officer may, subject to the approval of the Supervising Officer, be exceptionally authorised to undertake private work provided the work is performed outside official working hours and has no adverse effect on nor is in conflict with his official position or duties. For work involving trading or commercial activities, the approval of the Secretary to the Cabinet and Head of the Civil Service should be obtained.
- 18.4.101 Notwithstanding the existing recommendation of the grant of leave without pay to take up employment in the Private Sector in Mauritius and the provisions in the above paragraph, the Bureau considers that, subject to the approval of the MCSAR, the grant of leave without pay may be considered to allow Public Officers who wish to run a business to do so. However, the grant of leave without pay should not be entertained where a conflict of interest would arise or where the smooth delivery of service may be disrupted.

#### **Recommendation 24**

- 18.4.102 **We recommend that, subject to the exigencies of service and with the approval of the MCSAR, leave without pay may be granted to officers to run a business for an aggregate period of one year over a period of 10 years except for those in scarcity areas or where replacement is not easily available and retention is difficult or where training at government expense has, subject to the provision at paragraph 18.4.103 below, been for a year or more. However, the grant of leave without pay should not be considered in case the proposed business activities are likely to be incompatible, or in conflict with his duties as a public officer or where the smooth delivery of service may be disrupted.**
- 18.4.103 **The above provision may, however, be applicable in the case of an officer who, though has undergone formal training at government expense, has served at least three years after the bonded period.**

#### **Leave Without Pay to pursue higher studies**

- 18.4.104 Leave without pay to pursue higher studies is granted to an officer following full time courses for the duration of the course. An officer who wishes to await the result of his examination before resuming duty is granted an extension of leave without pay. An officer who has to resit for his examination is, on submission of relevant documentary evidence, also granted an extension of his leave without pay.

18.4.105 It is reported that many officers who are on study leave without pay enroll for further studies (post graduate courses) without seeking prior approval for extension of leave without pay. This causes disruption to working arrangements.

18.4.106 Although it is the stated policy of the Government to encourage continuous learning and development, there is also need for control to ensure the continued delivery of service effectively. While maintaining the provisions for leave without pay to facilitate higher learning, we are restating the mechanisms for monitoring and control.

#### **Recommendation 25**

**18.4.107 We further recommend that leave without pay to pursue higher studies should, subject to the exigencies of service, continue to be granted to officers following full time courses for the duration of the course up to a maximum of four years in aggregate and subject to the following provisions:**

- (i) such leave should be granted for a maximum period of one year in the first instance; and**
- (ii) extension of such leave would be considered only on the basis of documentary evidence of continued studies in the same field.**

#### **Leave Without Pay after Confinement**

18.4.108 Additional leave in the form of leave without pay is granted to female employees for a period not exceeding 6 months in the period of 12 months following confinement, subject to the exigencies of service.

18.4.109 Representations have been received to increase this period of leave without pay for female employees to look after their baby/ies.

18.4.110 The Bureau has examined this representation and considers that there is merit in the case and is, therefore, making an appropriate recommendation.

#### **Recommendation 26**

**18.4.111 We recommend that female officers who wish to take advantage of leave without pay to look after their baby/ies, should be granted up to 9 months' leave without pay in a period of 12 months following confinement, subject to the exigencies of the service.**

18.4.112 We are also making a special recommendation under the section dealing with maternity leave for female officers to take either leave on half pay or a combination of leave without pay and leave on half pay following confinement.



18.4.113 The following general provisions for the extension of leave without pay are also maintained.

#### **Recommendation 27**

**18.4.114 We recommend that:**

- (i) **An officer who has been granted leave without pay for a purpose (e.g. to accompany spouse) should not be granted extension of leave without pay for another reason, such as for study purposes, unless and until he resumes duty.**
- (ii) **Supervising Officers should ensure that officers, who are posted at their respective Ministry/Department and who are on leave without pay, do resume office at the expiry of their leave. Any request for extension of leave without pay should be submitted to the MCSAR at least a month before the expiry of the approved absence.**

#### **Injury Leave**

18.4.115 Injury leave is granted to an officer who has sustained injury on duty while acting in accordance with rules and regulations and the injury has rendered him unable to perform his regular duties.

18.4.116 In the 2003 PRB Report, we recommended that an officer, sustaining injury in the course of his duties while acting in accordance with rules and regulations in force, should initially be granted sick leave upon recommendation from a Government Medical Officer, and subject to the findings of the Departmental Board, injury leave up to a maximum of 30 days. We also recommended that cases requiring more than 30 days injury leave or further investigations be referred to the Injuries Committee.

18.4.117 We additionally recommended that officers not holding a substantive appointment be granted up to a maximum of 15 days injury leave with pay provided that the procedures set out in the existing regulations were followed.

18.4.118 As the current provisions are considered adequate, we are maintaining them.

#### **Recommendation 28**

**18.4.119 We recommend 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 a Government Medical Officer, should 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.

#### **Recommendation 29**

**18.4.120** Officers not holding a substantive appointment should, as at present, 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 18.4.119 (i) to (v) above are followed.

#### **Leave Eligibility in Other Specific Cases**

18.4.121 The present provisions for leave eligibility in other specific cases as hereunder are being maintained.

#### **Recommendation 30**

- 18.4.122** (i) Officers appointed in a substantive capacity in the service whether directly or after a period of temporary service of less than one year should continue to be 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, should continue to be 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 retiring/resigning from the service and officers on injury leave, on leave with/without pay, on interdiction as well as those who are absent for a complete calendar year, should not be eligible for sick and casual leave for that year. However, those who are absent for a period of less than a complete calendar year should be eligible for total annual sick and casual leave entitlement. Payment for unutilised sick leave should be made on a pro-rata basis for the actual period served in the year.**
- (iv) **Officers on leave with pay should be entitled to full refund of sick leave not taken, provided they attend duty for at least 22 working days in the calendar year.**

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

## **18.5 WORKING WEEK, FLEXTIME, WORKERS ON SHIFT/ ROSTER/STAGGERED HOURS AND OVERTIME**

18.5.1 In this section, we deal, *inter alia*, with the standard working week and the normal hours of attendance; emphasise the need for the introduction of proper flexitime and homeworking; and address issues pertaining to the pattern of working time of workers on shift, roster and staggered hours. We also overview and evaluate the existing provisions governing flexible hours of attendance to combat tardiness, clarify certain issues to facilitate implementation and allow Chief Executives the possibility to adapt the system to suit their operational needs.

### **Working Week**

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

- (i) Officers in the Workmen's Group and other manual grades (excluding watchman): 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 <sup>3</sup>/<sub>4</sub> 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<sup>3</sup>/<sub>4</sub> 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.

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

### **Recommendation 1**

**18.5.4 We recommend that the provisions governing the standard working week currently in force in the Public Sector, as replicated above, be maintained.**

### **Hours of Attendance**

18.5.5 Hours of work are part of an employee's terms and conditions of service. The fixed pattern of work for full-time employees varies from 33<sup>3</sup>/<sub>4</sub> hours to 40 hours weekly except for the grade of Watchman whose normal working week is 60 hours. Each organisation schedules its employees' starting and departure times within the specified limits in order to meet its operational requirements.

18.5.6 The normal hours of attendance for full-time employees, other than those working on shift, roster and staggered hours and for those working in essential services providing a 24-hour coverage, are as specified below:

#### **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**

#### **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 and other manual grades 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.**

### **Flexible Hours of Attendance to Combat Tardiness**

18.5.7 In the 2003 PRB Report, we drew attention to the fact that many employees had developed a pattern of tardiness both at the beginning of the workday and after lunch breaks and we laid emphasis on the need to maintain good attendance records in order to monitor punctuality and effective attendance. Several recommendations were, therefore, made to combat the problem including, among others, the introduction of a flexible pattern of work, the introduction of a computerised attendance system, the maintenance of a time banking account in respect of each officer and the grant of time-off against any additional working hours put in.

- 18.5.8 To facilitate the implementation of the flexible hours of attendance, the Ministry of Civil Service and Administrative Reforms (MCSAR) had issued the following guidelines:
- (i) where an officer chooses on his own to continue to be in attendance after the normal working hours, such number of hours will not be considered as excess hours of attendance; however, where an immediate supervisor certifies that an officer was assigned to do some productive work, such additional hours of attendance will be credited in a bank;
  - (ii) lateness can only be compensated by working up to 1630 hours at latest. Supervisors should ensure that officers staying beyond 1600 hours to compensate for any lateness are assigned some productive work;
  - (iii) where an officer has any excess of working hours in his/her bank, he/she may, on request and subject to exigencies of the service, be granted time off;
  - (iv) an officer may be granted time off up to an equivalent of a half day where he has accumulated the equivalent number of excess hours, subject to the exigencies of the service;
  - (v) time-off should not be combined with other types of leave; and
  - (vi) an early departure can be allowed against time-off if the officer has accumulated the required number of hours. Otherwise, this will be deducted from the officers' normal leave entitlement.

**Survey on the Introduction/Implementation of Flexible Hours of Attendance to Combat Tardiness in the Public Sector**

- 18.5.9 In the context of this review, the Bureau has re-examined the issue regarding the introduction/implementation of flexible hours of attendance to combat tardiness and has carried out a survey to take stock of the actual situation in order to identify implementation problems and other impediments and to formulate appropriate recommendations. A survey questionnaire was sent to all Heads of Ministries/Departments, Parastatal and other Statutory Bodies, Local Authorities and Rodrigues Regional Assembly inviting them to furnish information on the introduction/implementation of flexible hours of attendance in their organisations.
- 18.5.10 The questionnaire was a guided one and the information sought for covered, among others, the introduction of flexible pattern of work, the introduction of a computerised attendance system, the maintenance of a time banking account in respect of each officer, the grant of time-off against any excess working hours put in and any practical difficulty encountered in the implementation of the recommendations.

18.5.11 We elaborate, hereunder, on the major findings revealed by the survey.

### **Findings and Observations**

18.5.12 Fifty one organisations out of 65 in the Civil Service, 54 Parastatal Bodies out of 79, and seven Local Authorities out of nine have responded to our survey.

18.5.13 The Survey has revealed that out of the 51 organisations in the Civil Service which have responded, 20 have not introduced the flexible pattern of work. Similarly, in the Parastatal Bodies, out of 54 organisations which have responded, 38 have not introduced the flexible pattern of work and in the Local Authorities, of the seven organisations which responded, two have not introduced the flexible pattern of work.

18.5.14 These organisations have not introduced the flexible pattern of work for, *inter alia*, the following reasons : absence of an electronic attendance system to monitor more closely the time of arrival and departure of employees; lack of supervision on those working before and after normal working hours; difficulty to evaluate work performed outside normal working hours and to ascertain whether officers are performing productive work; additional human resources required to the detriment of organisational efficiency; the nature of businesses carried out being very sensitive and confidential, staff have to work under full supervision from 0845 hours to 1600 hours; officers work in a team and are, therefore, interdependent on each other; disruption in the smooth running of counter service; the attendance register does not offer a sound basis for compilation and calculation of late/early hours of attendance; and the difficulty encountered with respect to internal communication at specific times.

18.5.15 The whole issue has also been diversely commented upon by Chief Executives who have made some favourable observations as well as a few valuable suggestions for the successful implementation of the flexible hours of attendance in the public sector. These are as follows :

- (i) The flexible hours of attendance have led to improved punctuality.
- (ii) Flexitime can give positive results to the organisation, improve performance, increase productivity, and reduce overtime costs, if used judiciously and effectively.
- (iii) The implementation of the flexible hours of attendance has proved beneficial to both management and employees as it has helped to increase efficiency and improve quality of life of employees. The system has been found to be practical and does not affect operation.

- (iv) Flexitime is an important tool to combat lateness and early departures and prevent abuse of leave by officers, and is a good management practice.
- (v) There is an urgent and imperative need for the introduction of an electronic attendance system to monitor more correctly the time of arrival, departure, excess time taken for lunch and absence from office of employees during working hours.
- (vi) There is need for an electronic attendance system with an in-built software for computation of early arrivals and departures with necessary deductions and adjustments.
- (vii) According to the MCSAR, the electronic attendance system is an effective tool for monitoring attendance. The system has now been enhanced by way of additional features and production of precise reports.
- (viii) Officers should not be allowed to compensate for late arrivals by working after 1600 hours. Late arrivals should be offset only by early arrivals on other days in the same month or else should be deducted from leave entitlement.

18.5.16 The MCSAR also carried out a survey during period January to July 2007 in respect of officers who are required to attend duty at 0845 hours and leave office at 1600 hours to ascertain the impact of the flexible attendance system. The survey confirmed almost all our findings. However, it has come to light that, though the attendance of officers reaching office after 0915 hours were monitored, they were treated in the same way as those who reached office between 0845 hours to 0915 hours in that their hours of lateness were deducted from their leave entitlement if they did not compensate for same by working after 1600 hours.

### **Conclusions**

18.5.17 On the whole, in organisations where flexible pattern of attendance has been implemented, in spite of the inherent constraints, the measures enunciated in the 2003 PRB Report have been effective in combating excessive/regular tardiness.

18.5.18 In many organisations, the non-introduction of the flexible pattern of attendance is mainly due to such impediments as the absence of a computerised attendance system and the resulting additional resources required.



- 18.5.19 A few organisations have not introduced the flexible pattern of attendance mainly because they offer counter services to the general public or on account of the special nature of their businesses.
- 18.5.20 Consequently, for the successful implementation of the flexible hours of attendance across the Public Sector and to rope in the majority of organisations into the system, exception made, however, of those which really cannot join in for obvious reasons, there is an imperative need for the expeditious introduction of the electronic attendance system which would serve as an effective tool for monitoring attendance.
- 18.5.21 In the light of the foregoing, we are reviewing some of the recommendations made in the 2003 PRB Report to render the flexible hours of attendance more workable and implementable and to remove impediments identified in the system. We are also reviewing the departure time and the core hours of work for officers operating on a six-day week basis to bring them in line with those prescribed for officers operating on a five-day week basis.

## **Recommendation 2**

**18.5.22 We recommend that the following provisions should apply in respect of:**

- A. Officers operating on a five-day week basis, i.e. from Monday to Friday between 8.45 a.m. and 4.00 p.m. with half an hour for lunch:**
- (i) Attendance between 8.45 a.m. to 9.15 a.m. should not be considered as lateness but should be deemed to be an integral part of the conditions of service, subject to the ensuing provisions governing hours of attendance.**
  - (ii) Attendance between 8.30 a.m. up to 8.45 a.m. should be taken into account for the purpose of determining the prescribed normal working hours.**
  - (iii) Departure time shall, subject to the exigencies of the service be, in principle, between 3.45 p.m. and 4.30 p.m.**
  - (iv) Officers should be allowed to accumulate excess hours of attendance in bank and to avail themselves of the excess hours put in up to a maximum of ½ day off at a time, in the same year failing which the accumulated excess hours would lapse automatically at the end of the year.**
  - (v) Officers should not be allowed to compensate for late arrivals by working after 4.30 p.m. except for senior officers who are neither eligible for overtime nor for extra duty allowance in lieu of overtime.**

- (vi) Officers should be allowed to offset all periods of late arrivals in the morning from the accumulated excess hours of attendance in bank/leave entitlement.
- (vii) Officers would be allowed to refund lateness time by working beyond 4.00 p.m. only upon the approval of the Responsible Officer or whenever their services would be needed after 4.00 p.m.
- (viii) Subject to the approval of Management, hours of work beyond 4.00 p.m. shall also be considered for the purpose of determining the prescribed normal working hours.
- (ix) Lateness after 9.15 a.m would be allowed to be offset by early attendance or late departure in case it is occasional and for up to a maximum of 15 minutes.
- (x) Persistent lateness after 9.15 a.m./absences during working time without authorisation and excess time taken for lunch would be deducted from leave entitlement in the first instance. However, in case there is no improvement in the officer's record of late attendance after 9.15 a.m. and the excess time taken for lunch, the Responsible Officer may then initiate action under Regulation 42(1)(c) of the Public Service Commission Regulations for the duration of lateness to be deducted from the officer's salary.
- (xi) In case of officers attending duty late for reasons beyond their control e.g. heavy rainfall, major road accidents, unusual traffic jam, tardiness hours in such exceptional circumstances may, subject to the approval of the Supervising Officer, not be considered as lateness.
- (xii) For officers not eligible to overtime payment and extra duty allowance and who are required to work regularly beyond 4.00 p.m., to meet time frame, attendance after 9.15 a.m. shall not be considered as lateness subject to the approval of the Responsible/Supervising Officer.
- (xiii) The provision of paragraph (xii) shall also be applicable to officers who have been given expressed permission for homeworking based on completion of allocated assignments.

- B. For officers operating on a six-day week basis, i.e. Monday to Friday from 9.00 a.m. to 3.30 p.m. with half an hour for lunch and on Saturday from 9.00 a.m. to noon.**
- (i) Attendance between 9.00 a.m. up to 9.30 a.m. should not be considered as lateness but should be deemed to be an integral part of the conditions of service, subject to the ensuing provisions governing hours of attendance.**
  - (ii) Attendance between 8.45 a.m. up to 9.00 a.m. should be taken into account for the purpose of determining the prescribed normal working hours.**
  - (iii) Departure time shall, subject to the exigencies of the service be, in principle, between 3.15 p.m. and 4.00 p.m.**
  - (iv) Officers should be allowed to accumulate excess hours of attendance in bank and to avail themselves of the excess hours put in up to a maximum of ½ day off at a time in the same year, failing which the accumulated excess hours would lapse automatically at the end of the year.**
  - (v) Officers should not be allowed to compensate for late arrivals by working after 4.00 p.m. except for senior officers who are neither eligible for overtime nor for extra duty allowance in lieu of overtime.**
  - (vi) Officers should be allowed to offset all periods of late arrivals in the morning from the accumulated excess hours of attendance in bank/leave entitlement.**
  - (vii) Officers would be allowed to refund lateness time by working beyond 3.30 p.m. only upon the approval of the Responsible Officer or whenever their services would be needed after 3.30 p.m.**
  - (viii) Subject to the approval of Management, hours of work beyond 3.30 p.m. shall also be considered for the purpose of determining the prescribed normal working hours.**
  - (ix) Lateness after 9.30 a.m. would be allowed to be offset by early attendance or late departure in case it is occasional and for up to a maximum of 15 minutes.**
  - (x) Persistent lateness after 9.30 a.m. and absences during working time without authorisation and excess time taken for lunch would be deducted from leave entitlement in the first instance. However, in case there is no improvement in the officer's record of late attendance after 9.30 a.m. and the excess time taken for lunch, the Responsible**

Officer may then initiate action under Regulation 42(1)(c) of the Public Service Commission Regulations for the duration of lateness to be deducted from the officer's salary.

- (xi) In case of officers attending duty late for reasons beyond their control e.g. heavy rainfall, major road accidents, unusual traffic jam, tardiness hours in such exceptional circumstances may, subject to the approval of the Supervising Officer, not be considered as lateness.
  - (xii) For officers not eligible to overtime payment and extra duty allowance and who are required to work regularly beyond 3.30 p.m., to meet time frame, attendance after 9.30 a.m. shall not be considered as lateness subject to the approval of the Responsible/Supervising Officer.
  - (xiii) The provision of paragraph (xii) shall also be applicable to officers who have been given expressed permission for homeworking based on completion of allocated assignments.
- C. Organisations should ensure that officers are in attendance during core hours of work i.e. between 9.15 a.m. and 3.45 p.m. for officers operating on a five-day week basis and between 9.30 a.m. and 3.15 p.m. for officers operating on a six-day week basis subject to the provision of paragraph 18.5.22 A(xii), A(xiii); B (xii) and B (xiii).
- D. Organisations should ensure that there is adequate office coverage during official hours and that customer service is not adversely affected by the pattern of work attendance. Management may require employees to work beyond the official hours should the exigencies of the service so require.
- E. Organisations should keep an account of late/early hours of attendance in respect of each officer on a monthly basis. Hours of attendance over and above the prescribed normal hours of work, i.e.  $33\frac{3}{4}$  hours weekly, shall be credited in the bank on a monthly basis whereas hours of attendance less than the prescribed normal hours of work shall be deducted from any outstanding balance from bank of attendance or leave entitlement on a monthly basis. Monthly hours of attendance in excess of the normal working hours would be carried forward to the next month but would lapse automatically if not availed of by the end of the calendar year.

- F.** Where an officer chooses to attend work more than his normal contractual weekly hours of work under the above provisions, he shall not be eligible to overtime but shall be governed by the provisions as at (I) below.
- G.** Where an officer has exhausted all his leave entitlement, the Responsible Officer might then initiate action under Regulation 42(1)(c) of the Public Service Commission Regulations for the duration of lateness to be deducted from his salary.
- H.** An officer may, on request and subject to the exigencies of the service, be granted time-off against any excess of working hours put in.
- I.** The normal contractual weekly hours of work should remain unchanged. An officer preferring to continue his present pattern of attendance, i.e., 8.45 a.m. to 4.00 p.m. with half an hour for lunch for officers operating on a five-day week basis and 9.00 a.m. to 3.30 p.m. with half an hour for lunch for officers operating on a six-day week basis should be allowed to do so.
- J.** The normal attendance hours in force as at June 2008 for officers required to provide a 24-hour service in the Health Sector, whether on shift or not, are maintained. Management shall continue to be responsible for the working hours of officers in the Health Sector.
- K.** Management shall continue to be responsible for establishing the working hours of the teaching profession.
- L.** Notwithstanding the recommendations made above, Management may, where flexible pattern of attendance is not workable in the interest of the service, particularly on sites outside the capital, continue to operate on the system prevailing prior to 1 July 2008, subject to the approval of the MCSAR. In such cases lateness and absences during working time without authorisation would be deducted from leave entitlement in the first instance. However, in case there is no improvement in the officer's record of late attendance and the excess time taken for lunch, the Responsible Officer may then initiate action under Regulation 42(1)(c) of the Public Service Commission Regulations for the duration of lateness to be deducted from the officer's salary.

**M. Workmen's Group**

Officers falling in this category should work within the prescribed hours. Period of lateness should be computed monthly and deducted from leave entitlement.

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

Officers working on shift, roster and staggered hours should continue to work within the prescribed time. The period of lateness at work, excess time taken for lunch and absences during working time without authorisation would be deducted from leave entitlement in the first instance. Period of lateness should be deducted from salary in accordance with the Public Service Commission Regulations only in case of persistent late attendance.

18.5.23 We recommend that the provisions made under PSC Regulations 42(1)(C) be implemented against habitual latecomers so that lateness after 0915 hours be effectively addressed. In order to ensure uniformity in the application of the provisions, habitual latecomers should be defined as officers attending duty after 0915 hours for at least five days per month over a period of three consecutive months. Lateness as a result of a traffic jam or similar event officially reported to a Supervising Officer, where several officers are involved, may subject to his approval not be deemed as lateness for that day for the purpose of this paragraph.

**Recommendation 3**

18.5.24 We further recommend that Ministries/Departments/Organisations should expedite matters for the introduction of time clocks or a computerised attendance system to monitor more correctly the time of arrival and departure, as well as absence from office during office hours.

**Flexitime**

18.5.25 In the preceding paragraphs we have made recommendations to combat tardiness by means of flexible hours of attendance. We deal in the ensuing paragraphs with the concept of flexitime whereby the working hours in a day are split and distinguished as core and flexible hours **and services are made available for longer hours.**

18.5.26 Since its 1993 PRB 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 s/he attends office within a core time during the working day. Employees are given the opportunity to attend or leave work during well-defined periods, provided they be at office within a core time normally during the central part of the working day. **An example of flexitime proper could be as follows:**

**Commencing time : 8.00 a.m and finishing time 5.00 p.m.**

**Core time : 10.00 a.m. to 3.00 p.m.**

18.5.27 Flexitime is, thus, an arrangement whereby employees can vary their starting and finishing times to suit their work and personal commitments so long as they work the total hours agreed for an accounting period, usually a week or month. This concept of flexitime has, up to now, not been adopted in the Civil Service.

18.5.28 Flexitime provides employers with considerable flexibility in staff deployment to cope with variations in workload or extension of service hours. It also improves telephone communication with other time zones and often eliminates or reduces the need for overtime.

18.5.29 Flexitime can also have a positive impact on productivity because it often results in reduction in paid absences; better work organisations and scheduling of work according to employees' needs; improved morale and job satisfaction among employees; and better managerial practices, including a shift from a controlling to a facilitating management style and more worker self-management.

18.5.30 Research in foreign jurisdictions has shown that flexitime's most valuable merit is its popularity among employees. It is greatly valued by working parents who need working hours that accommodate their children's normal schedules. It is, therefore, effective as a low cost employee benefit.

18.5.31 In the United Kingdom (UK), as from 6 April, 2007, the right to request flexible working has been extended to Carers' under the Work and Families Act 2006. The Government has announced that these are employees caring for adults who are :

- spouses, civil partners or partners (unmarried, but living together as husband and wife or civil partners)
- near relatives (parents, adult children, siblings, aunts, uncles, grand parents or any adoptive, step or in-law relationships)
- dependent adults living at the same address as the employee

18.5.32 However, certain minor weaknesses characterising the concept of flexitime are inherent and are bound to surface every now and then. The main problem of flexitime that employers face is the need for managers and supervisors to schedule and plan work flow to ensure coverage of critical functions during certain hours when staffing is low. There are also difficulties associated with employee communication, scheduling meetings and coordinating work.

18.5.33 In spite of these, in general, the advantages of introducing flexible working hours for both the organisations and the employees are manifold and far outweigh the few drawbacks. In summary, for the organisations the advantages are:

- Improvement in productivity
- Reduction in absenteeism
- Less requirement for overtime as employees can manage busy and slack periods
- Completion of lengthy work assignments without resorting to overtime
- Greater productivity in the quieter flexible parts of the day
- Potential for longer opening hours and public desk cover in the flexible periods including lunchtime
- Less stress to reach office before 8.45 a.m. and improvement in morale
- Balance in family life and professional activities

For the employees the advantages are:

- Less stress to reach office before 8.45 a.m. and improvement in morale
- Rush hours can be avoided and travel time to and from work is reduced
- Personal matters can be dealt with without taking leave and domestic commitments can be met
- Work can be finished without carrying over to the next day
- The lunch break can be used to suit the employee
- Increased co-operation between staff

18.5.34 Against such a background, for citizen-centered customer responsiveness, the development and innovation of flexible working arrangements must no longer be regarded as a peripheral issue and must be given serious consideration.



#### **Recommendation 4**

- 18.5.35** We again recommend that, subject to the approval of the MCSAR and after consultation with the staff side, Ministries/Departments/Organisations should expedite the introduction of flexitime where demand exists and resources permit.
- 18.5.36** We also recommend that Ministries/Departments/Organisations operating counter services and introducing flexitime should, in the design of the *modus operandi*, ensure, as far as possible, that a continuous uninterrupted service is provided over an extended period.
- 18.5.37** As in the 2003 PRB Report, it must again be emphasised 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 possible of any modifications in work schedule; and
  - (i) making a concerted effort to schedule office meetings during core hours.
- 18.5.38** It would also be the responsibility of management to ensure monitoring and supervision in establishing work hours, prohibit abuses and take corrective measures if abuses occur.

- 18.5.39 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.

**Flexiplace : Homeworking**

- 18.5.40 Flexiplace is an arrangement whereby staff perform work in places other than the office. There are two types of flexiplace options, namely homeworking and teleworking.
- 18.5.41 Homeworking is an arrangement involving people undertaking work primarily in their homes or, like salespeople who travel extensively but are primarily based at home. The homeworkers may also be required to spend certain core hours or days in the office to stay in touch with developments in the organisation.
- 18.5.42 There is nothing new about working from home. But the advent of new computer and telecommunications technology has witnessed the development of another type of remote working known as teleworking. Teleworking is the same as homeworking, except that the job is performed using information and communication technologies.
- 18.5.43 Flexiplace working can have a positive impact on productivity in that it involves a shift from a controlling to a facilitating management style and more worker self-management.
- 18.5.44 Remote working means that working hours can be spread over any time of the day or night to suit the demands of the job and the needs of the worker.

**Recommendation 5**

- 18.5.45 We recommend that Chief Executives of Ministries/Departments/Organisations may, for assignments that are project-based with verifiable performance indicators and for which there can be no disagreement on what is needed for the target to be achieved, allow officers particularly of the level of a professional and above to work from home on certain assignments where demand exists and resources permit.**

## Workers on Shift, Roster and Staggered Hours

18.5.46 The pattern of working time in a number of establishments and services in the Public Sector, namely those responsible for communications, the provision of information, health services, safety and security or public transport requires the provision of continuous service or service beyond normal hours of work. To provide such services on a continuous basis or beyond normal hours of work, it is necessary to have in place a system of successive or overlapping shifts or staggered hours of work. The system embodies the following: Shift Work, Work on a Roster basis and Work at Staggered Hours.

### Definition

18.5.47 **Shift work** is a flexible working arrangement for a 24-hour coverage where one employee replaces another or where different group of workers do the same job one after another and 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 including invariably night duty and work on Sundays and Public Holidays.

18.5.48 **Workers operating on a roster basis** do not work on a 24-hour basis but according to a structured pattern of work specifying the starting times and finishing times of turns of duty which may or may not include night duty. **Workers operating on roster (day)** are those whose turn of duty starts either at or after 4.00 a.m. or goes up to 8.00 p.m. **Workers operating on roster (day and night)** are those whose turn of duty may start either before 4.00 a.m. or extend beyond 8.00 p.m.

18.5.49 **Workers categorised as working at staggered hours** work normal hours but are called upon to work, on a regular basis, at irregular hours including Saturdays and Sundays against time-off during their normal working hours. It is a way of covering a longer day.

18.5.50 **Night work** means work which is performed during a period of not less than seven consecutive hours, including the interval from midnight to 5.00 a.m.

18.5.51 At present, workers on shift, roster and staggered hours are governed by special provisions regarding, *inter alia*, work on Public Holidays and the different forms of compensation.

18.5.52 In the context of this review, representations have been received from different quarters particularly from the nursing personnel that day off coinciding with a public holiday other than a Sunday and work on a public holiday falling on a Sunday should be duly compensated. At present, Sunday is treated as a normal working day.

18.5.53 We have examined the whole issue and have brought corrective measures. Furthermore, on account of ambiguities disclosed, paragraph 18.5.55 C (iii) and C (iv) have been redrafted to facilitate interpretation and implementation.

#### **Recommendation 6**

**18.5.54 We recommend that Sunday should be considered as a normal working day for workers on shift, roster and staggered hours.**

**18.5.55 We further recommend that the following provisions should apply to workers on shift, roster and staggered hours:**

- A. Workers on shift and workers employed on a roster basis whose day off coincides with a Public Holiday (other than a normal Sunday not coinciding with a proclaimed public holiday) should be given an additional day off. Those who work on a Public Holiday (other than a normal Sunday not coinciding with a proclaimed public holiday) should be granted two days off.**
- B. Workers on shift and workers on roster, who cannot be granted days off for work performed on a Public Holiday (other than a normal Sunday not coinciding with a proclaimed public holiday), or when their day off coincides with a public holiday (other than a normal Sunday not coinciding with a proclaimed public holiday) should be paid as follows:**
  - (i) one day's pay for a day off coinciding with a Public Holiday (other than a normal Sunday not coinciding with a proclaimed public holiday); and**
  - (ii) two days' pay for actually working a whole shift/roster on a Public Holiday (other than a normal Sunday not coinciding with a proclaimed public holiday).**
- C. When a shift or roster covers part of a Public Holiday (other than a normal Sunday not coinciding with a proclaimed public holiday) and part of a normal working day, officers working on that shift or roster should be granted:**
  - (i) no compensation for working up to two hours on a Public Holiday (other than a normal Sunday not coinciding with a proclaimed public holiday);**
  - (ii) half day's off or half day's pay for working more than two hours and up to four hours on a Public Holiday (other than a normal Sunday not coinciding with a proclaimed public holiday);**

- (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 normal Sunday not coinciding with a proclaimed public holiday); or the officer may accrue one additional day of casual leave;
  - (iv) two days' off or two days' pay whenever they work more than eight hours on a Public Holiday (other than a normal Sunday not coinciding with a proclaimed public holiday) or the 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 normal Sunday not coinciding with a proclaimed public holiday) or the accrual of three additional days of casual leave.
- D. The maximum accrual of additional casual leave should be five days which should be granted within the same year. The computation for the leave accruals is kept separate from any other form of leave.
- E. Days off granted for work performed on a Public Holiday (other than a normal Sunday not coinciding with a proclaimed public holiday) and in respect of days off coinciding with a Public Holiday (other than a normal Sunday not coinciding with a proclaimed public holiday) should be considered as approved leave for the purpose of computation of overtime.
- F. Workers who may wish to exchange shifts or rostered days off by mutual agreement and with the consent of their supervisors should be allowed to do so, provided the arrangement does not give any employee an entitlement to the payment of overtime.
- G. The normal entitlement of sick/casual leave of all shift workers should be 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 should be 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.

- H. Shift schedules should, as far as possible, ensure that:
- (i) shift starts or ends at times which would be convenient to both management and employees in the interest of the service;
  - (ii) public transport is/would be available within a reasonable time; and
  - (iii) unduly long shifts, without lying-in period be avoided.
- I. Where shift involves night work, the following ergonomic measures should be ensured:
- (i) in no case should two consecutive full time shifts be performed by the same shift workers, except in case of ‘force majeure’;
  - (ii) except for disciplined forces, a rest period of at least 11 hours between two shifts should be guaranteed as far as possible; and
  - (iii) employees do not permanently work on night shifts.
- J. One day’s pay in respect of workers in these categories should be calculated at the rate of eight times hourly rate and the hourly rate should be computed as follows:

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

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

18.5.56 Unless otherwise specified, compensation has been made in the salaries of workers operating on shift, roster and staggered hours.

18.5.57 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 7**

18.5.58 **We maintain the recommendation that Management should ensure regular rotation of staff of such categories in a spirit of equity to all employees.**

### **Night Shift**

18.5.59 In the 2003 PRB Report, following representations from Staff Associations for additional compensation outside salaries in respect of shift work performed at night, we introduced the payment of a night shift allowance for those shift workers who effectively perform night work, i.e. those effectively working the hours of midnight up to 5.00 a.m.

**18.5.60** Since the compensation outside salaries in respect of shift work performed at night has proved effective in inducing desired employee behaviour, we are maintaining the same arrangement in this Report. Appropriate recommendations regarding these allowances are made in the Chapter concerning the respective Ministries in Volume II of this Report.

#### **Recommendation 8**

**18.5.61** We are maintaining the following special provisions in respect of night shift workers:

- (i) 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.
- (ii) Shift workers who have spent 25 years or more 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 aged 50 years or more.
- (iii) Night shift workers drawing overtime allowances or any other allowance for work performed between the hours of 11.00 p.m. to 5.00 a.m. should not be paid the night shift allowance.

#### **Overtime**

**18.5.62** Employees who work extra hours beyond their normal working day are generally compensated for the extra hours put in either through overtime payment or through time-off.

**18.5.63** The general principles and the conditions under which overtime is granted as well as the manner in which overtime is calculated are outlined below.

#### **General Principles**

**18.5.64** Overtime work is work undertaken over and beyond an officer's normal working hours. The general principles governing the payment for overtime in the public 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 compensated by time-off in lieu of payment.
- (c) Employees would not work extra hours unless specifically requested to do so by their Supervisors in the interest of the service.

- (d) Senior Officers of certain levels are not eligible to payment of overtime.

### **Control of Overtime**

18.5.65 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 overtime when performed is in effect the most cost-effective way to meet goals and responsibilities.

**18.5.66 To control overtime, Management, subject to the concurrence of the MCSAR, should:**

- (a) **arrange for work shifts/pattern of work to be changed in case of work of long or continuous duration that need to be completed after normal working hours;**
- (b) **ensure that reports and records be improved to strengthen accountability when resorting to overtime;**
- (c) **develop procedures and standards for evaluating when an unscheduled absence in identified posts may require scheduling officers for overtime work;**
- (d) **identify posts which may not need scheduling officers for overtime if workload is light; and**
- (e) **adequately monitor overtime on an individual basis to prevent employees from working excessive overtime.**

### **Administration of Overtime Payment**

18.5.67 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, i.e. the actual times at which an officer commences and ceases to work overtime.

### **Eligibility for Overtime**

18.5.68 Employees, except those in the grade of Watchman, qualify for overtime allowance after having performed more than 40 hours' work in a week. Watchmen qualify for overtime for work performed in excess of 60 hours.

18.5.69 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.



18.5.70 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.

**Overtime for Shift Work**

18.5.71 The 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 such work 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.

**Overtime Rates and Computation of Overtime**

18.5.72 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 eight hours of work or the number of hours of work he should normally have worked, whichever is less, in respect of any public holiday falling on a weekday.

18.5.73 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/her.

18.5.74 The rates for payment of overtime are presently as follows:

<b>Period</b>	<b>Hourly Rate</b>
Between 6.00 a.m. and 11.00 p.m. on weekdays	1.5 times hourly rate
Between 11.00 p.m. and 6.00 a.m. on weekdays	twice hourly rate
On Sundays or Public Holidays and officially declared cyclone days	twice hourly rate

18.5.75 Hourly rate are calculated on the following basis:

- (a) For Workmen's Group including Watchmen and Shift Workers, Workers on Roster/Staggered hours as well as officers who put in 40 hours of work weekly:

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

- (b) All other Workers/Officers

$$\frac{\text{Annual salary for the financial year}}{52 \times 33.75}$$

### **Recommendation 9**

**18.5.76 We are maintaining all the provisions governing overtime presently in force.**

**18.5.77 We recommend that the working week for computation of overtime should be as specified at paragraph 18.5.2.**

### **Salary Ceiling for Overtime**

18.5.78 Presently, officers drawing less than Rs 19400 monthly are entitled to payment of overtime allowances.

18.5.79 Furthermore, 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, are paid the hours of overtime at 75% of the prescribed rate.

### **Recommendation 10**

**18.5.80 We recommend that officers drawing basic salary of less than Rs 29000 be eligible for the payment of overtime allowances.**

**18.5.81 We also recommend that officers drawing basic salary from Rs 29000 to Rs 40000 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 80% of the prescribed rate.**

### **Devolution for Overtime Allowance**

18.5.82 In the context of the introduction of a new Performance Management Framework in the Public Service, the MCSAR has devolved as much authority as possible, in a number of areas of Human Resource

Management, to Ministries and Departments with a view to enabling them to manage their human resources efficiently and effectively.

18.5.83 In accordance with Circular Note No. 5 of 2005 of the MCSAR and with effect from 1 October, 2005, Supervising Officers and Officers-in-Charge of Ministries/Departments are authorised to approve the payment of overtime allowance at their own level, subject to the availability of funds under the appropriate Vote item.

18.5.84 However, in so doing, they should ensure, among others, strict monitoring of the work on an individual basis, to prevent employees from resorting to excessive overtime and that such work is performed only when it is absolutely necessary and is cost-effective and is authorised in advance.

#### **Recommendation 11**

**18.5.85 We recommend that Supervising Officers and Officers-in-Charge of Ministries/Departments should continue to approve the payment of overtime allowance at their own level, subject to availability of funds under the appropriate Vote item.**

**18.5.86 We further recommend that, in so doing, they should continue to ensure:**

- (i) that such work is performed only when it is absolutely necessary, is cost-effective and is authorised in advance;**
- (ii) strict monitoring of the work on an individual basis to prevent employees from resorting to excessive overtime; and**
- (iii) that quarterly detailed returns of any such payments made are submitted to the MCSAR.**

#### **Overtime Allowance in the Disciplined Services**

18.5.87 Officers of the Disciplined Forces (Fire, Police, Prisons) are not eligible for overtime allowance but are paid a commuted allowance in connection with special assignments.

#### **Recommendation 12**

**18.5.88 We are maintaining the present practice.**

#### **Attendance of duty after the lifting of a cyclone warning**

18.5.89 It is known from past experience that, after the lifting of a cyclone warning Class III or IV, and depending upon the time at which the official communiqué is issued by the Meteorological services, it is not always clear to officers whether they should attend duty or not.

- 18.5.90 According to Circular Letter No. 46 of 2006 of the MCSAR dated 17 November 2006, officers are required (a) to attend duty as soon as a cyclone warning Class III or IV is officially lifted, provided this is done before 1000 hours and on the assumption that public transport has resumed; and (b) those who are required and bound to attend duty during a cyclone warning Class III or IV should continue to do so.
- 18.5.91 Heads of Ministries/Departments are required to closely monitor the situation once a cyclone warning is in force in the country and to take appropriate action for the release of staff as soon as a cyclone warning Class III is issued during working hours. They should ensure that officers who travel by their own cars or by public transport to attend duty and who reside furthest from their place of work should be released first, followed by officers who live in the vicinity of the office and lastly, those who stay within walking distance of their workplace.

### **Recommendation 13**

- 18.5.92 **We recommend that, after the lifting of a cyclone warning Class III or IV, and depending upon the time at which the official communiqué is issued by the Meteorological Services, officers should attend duty as soon as the cyclone warning Class III or IV is officially lifted, provided this is done before 1000 hours, and access to office is possible.**
- 18.5.93 **We also recommend that those who are required and bound to attend duty during a cyclone warning Class III or IV should continue to do so.**
- 18.5.94 **We further recommend that Heads of Ministries/Departments should closely monitor the situation once a cyclone warning is in force in the country and should take appropriate action to release their staff as soon as a cyclone warning Class III is officially issued during working hours.**
- 18.5.95 **We recommend that those officers who travel by their own car or by public transport to attend duty and who reside furthest from their place of work should be released first, followed by officers who live in the vicinity of the office and lastly, those who stay within walking distance of their workplace.**

### **Payment of Overtime for Workers on Shift/Roster on officially declared cyclone days**

- 18.5.96 At present workers on shift or roster, eligible for overtime, are remunerated at twice hourly rate for working on officially declared cyclone days. However, they are paid overtime at 1.5 times hourly rate from the time cyclone warning Class III or IV is removed up to the time the next scheduled officers take over.

**Recommendation 14**

**18.5.97 We recommend that workers on shift or roster, eligible for overtime, who continue to work after a cyclone warning Class III or IV is removed and until they are relieved, should be paid overtime at twice the hourly rate.**

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## 18.6 TASK WORK IN THE PUBLIC SECTOR

- 18.6.1 Task Work usually implies an assigned piece of work often to be completed within a set time frame. It can also mean an action or sequence of actions to be performed closely together and completed in time and directed towards an objective, common goal or outcome.
- 18.6.2 During their consultations with the Bureau, the Federations of Unions have represented that there is need to identify those organisations where task work is required and to make special recommendations in respect of grades operating on a task work basis taking into consideration the working conditions, the environment and the hours of work. It has been reported that certain categories of employees, who by the nature of their activities work on a task basis, are bound, on completion of their tasks, to stay idle at their work place until time of departure. In the Private Sector, employees, who operate on a task work basis, are generally allowed to leave their sites of work on satisfactory completion of their tasks.
- 18.6.3 To enable the formulation of appropriate recommendations on this issue, the Bureau carried out a survey in the Public Sector to identify those grades which are presently operating on a task work basis and their *modus operandi*. The survey also sought such information as to whether the pattern of task work, currently in force, is a statutory/mandatory requirement or an operational requirement, the relevant legislation/statutory provisions, and any specific conditions of service to which the employees who are statutorily required to perform task work are entitled, e.g., regular medical check-up, protective equipment, issue of certain meal items or ration allowance. The Heads of Ministries/Departments/Organisations were also requested to make suggestions, if any, on ways and means of improving the existing provisions governing task work in their respective organisations, e.g. hours of work and special conditions of service.

### Findings and Observations

- 18.6.4 Forty nine organisations out of 65 in the Civil Service, 43 Parastatal Bodies out of 79, and all the nine Local Authorities have responded to the survey.
- 18.6.5 In the Civil Service, the Ministry of Environment and National Development Unit and the Ministry of Agro Industry and Fisheries have reported that there are employees operating on a task work basis. These employees are in several manual grades and work generally as from 0700 hours to 1400 hours (with one hour for lunch) against the usual standard hours of 0700 hours to 1600 hours for stations operating on a five-day week basis. For stations operating on a six-day week basis, employees working on a task basis usually operate from 0700 hours to 1330 hours (with one hour for lunch) from Monday to Friday and on Saturday from 0700 hours to 1000 hours (no lunch time).

- 18.6.6 At the Rodrigues Regional Assembly, the following grades in the Workmen's Group operate on a task basis from 0700 hours to 1330 hours (with one hour for lunch) instead of the regular standard hours of work from 0700 hours to 1515 hours: General Worker, Tradesman's Assistant, Mason, Carpenter, Nurseryman and Woodcutter.
- 18.6.7 In the Parastatal Bodies, only two organisations resort to task work and it concerns only a few manual grades. In the Local Authorities, six organisations employ several manual grades on a task basis.
- 18.6.8 Our analysis of the survey has revealed that (a) all the grades which operate on a task basis in the different organisations are only manual ones; (b) task work is generally of a minimum of five hours duration excluding lunch time; (c) there is no statutory/mandatory requirements which govern the pattern of task work currently in force in the respective organisations; (d) such task works are mainly assigned to meet operational requirements; (e) at the Rodrigues Regional Assembly, employees operating on a task basis are bound to stay idle up to 1330 hours at their place of work on completion of their task so as to ensure uniformity in the conditions of service; and (f) certain organisations, particularly the Local Authorities, do not allow their employees to stay idle at their place of work on completion of their tasks.
- 18.6.9 The Local Authorities consider it advisable to allow their employees to leave their respective sites of work on completion of their tasks on the following grounds:
- (a) it is difficult for the employees to have lunch on site given the nature of work. They do not have facilities for clean up and neither a place to lunch comfortably; and
  - (b) due to the specificity of their job (refuse collection), on completion of their scheduled work, there is no point in compelling the workers to remain on site.
- 18.6.10 A few organisations which assign work on a task basis have reported that they provide protective items/equipment such as masks, gloves, boots and raincoats to employees on task work. They also provide such employees with regular medical check up such as regular blood test. One organisation provides tea and milk to employees involved in task work.

### **Management Perspective**

- 18.6.11 The whole issue of task work has been diversely commented upon by the Supervising Officers and other Heads of Units/Sections. Without proper performance monitoring, task work entails problems and shortcomings. In fact, workers have a tendency to break off much earlier with the result that both output of work and quality suffer.

- 18.6.12 The Island Chief Executive of the Rodrigues Regional Assembly has reported that for years now, the Rodrigues Administration has had recourse to task work in some divisions/fields of activities. The main reason for such a condition of work in the past was to allow the employees to resume farming activities after their normal work with a view to boost up production at the national level.
- 18.6.13 However, as from the 1 July 2004, the hours of work for employees entrusted with authorised task work in Rodrigues is from 0700 hours to 1330 hours with one hour lunch break from 1100 hours to 1200 hours. As a matter of principle, officers on task work perform for at least five hours; the output of work is expected to be fair, reasonable and easy to be controlled and assessed in accordance with task rates defined by each respective head; the task assigned should be fully completed, measured and certified by the supervisors before the employees are allowed to leave their sites; those who do not complete their task work in time have to work until 1515 hours; and a roll call is made immediately on resumption of duty after lunch time.
- 18.6.14 In the light of the findings and observations and the views expressed by management, we give, hereunder, our main recommendations on the issue of task work in the Public Sector.

### **Recommendation**

#### **18.6.15 We recommend that:**

- (a) **the following guidelines regarding task work should apply:**
- (i) **task work should be resorted to only where the task rates have been recommended by the Head of Division and approved by the Supervising Officer in cases where the output is measurable and easy to control;**
  - (ii) **the daily task assigned should be measured and certified by the supervisors before the workers are allowed to leave their site of work; and**
  - (iii) **roll call should be made immediately after resumption of duty after lunch time.**
- (b) **regular site visits should be effected to ensure that the guidelines set out above are implemented by site supervisors and corrective actions are taken, wherever warranted; and**
- (c) **employees may be allowed to leave their site of work on (a) completion of their tasks subject to the tasks assigned having been controlled and certified by the supervisors and (b) provided that the employees have been in attendance for a minimum number of hours which should be around 75% of the normal working hours of the corresponding grade not on task work.**

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## 18.7 SPECIAL DUTY AND EXTRA DUTY ALLOWANCE

- 18.7.1 All full-time employees in the Public Service (except Watchmen) have to put in between 33¾ hrs to 40 hrs weekly. However, situations arise when employees have to put in more than the prescribed number of hours in a week. In such cases, conditions for payment of overtime allowance vary depending generally upon the salary levels of the employees. Employees up to a certain level and not eligible for the monthly Travel Grant Allowance are compensated through payment of overtime allowance at the prescribed rate in full. Employees up to a certain level eligible for the monthly Travel Grant Allowance are, when working additional hours, entitled to an Extra Duty Allowance which is at a discounted rate of overtime allowance.
- 18.7.2 Alternatively, compensatory time off is resorted to. Paid time off is granted to an employee in lieu of overtime pay. In granting such compensatory time off, the needs of the organisation are considered.
- 18.7.3 The other categories of employees operating at more senior levels are generally not entitled to any form of compensation, be it cash or time-off. Therefore, under current provisions, senior officers who are required to work beyond their normal working hours, owing to the nature of their duties for the execution of urgent tasks and for completion of work which cannot be postponed, are not remunerated.
- 18.7.4 At present, only in very specific circumstances such as elections, conferences, enquiries, seminars and workshops, or when required to officially undertake work **not within the normal scope of their functions**, officers at very senior levels are paid an *ad hoc* Special Duty Allowance which is determined by the Ministry of Civil Service and Administrative Reforms (MCSAR) on a case-to-case basis, based on both effort and time.
- 18.7.5 In the context of this review, representations have been received from senior officers in different quarters for some form of compensation whenever they are required to work beyond their normal working hours, especially at a stretch when their family and social life is disturbed, for the execution of urgent tasks and for completion of work which cannot be postponed. The MCSAR has, on its part, systematically dismissed claims of this nature, arguing that the extra works of these senior officers are considered as part and parcel of their normal duties.
- 18.7.6 On the other hand, it has been reported that every year during the pre-budget and budget periods, senior officers of the Ministry of Finance and Economic Development (MOFED) who have to put in exceptional effort on a sustained basis and provide quality output for the Budget are eligible for an allowance. However, this year, as part of the move to recognise performance and in the

spirit of transparency and fairness, the Ministry is applying a more rational and scientific approach on this issue. A two-step methodology (time and quality of work) is being developed to refine the system regarding payment of the allowance. The system would reward those who put in sustained effort as measured by hours worked above the mean; and would include time worked at home for officers whose Supervisor has certified that they did, in fact, produce high quality work from home.

- 18.7.7 We have examined in-depth the whole issue and are convinced that there is a case for some compensation to be made to those senior officers who are required to undertake special assignments which meet the criterion of substantial increased duties and responsibilities, call for sustained mental effort and result in disruption in family and social life. Furthermore, in such situation, given the substantial amount of time involved and the status and seniority of these officers in their organisations, the grant of compensatory time off may prove to be neither workable nor practical and can be detrimental to the smooth running of organisations.
- 18.7.8 We are, therefore, making appropriate recommendations to address the foregoing issues.

#### **Recommendation 1**

- 18.7.9 We again recommend that officers, not eligible for overtime, who work under exceptional pressure and at extra and irregular hours for timely completion of projects not within the normal scope of their schedule of duties, and in connection with special assignments such as conferences, enquiries, seminars and workshops, should be eligible for an Extra/Special Duty Allowance, based on both effort and time, subject to the approval of the MCSAR.**

#### **Recommendation 2**

- 18.7.10 We also recommend that senior officers not eligible for overtime/extra duty allowance or any other form of compensation for additional hours of work put in for the completion of an assignment/report by set time frame as per mandatory/administrative requirements and, who have to work unusually long hours over an extended period of a minimum of three months and put in exceptional effort on a sustained basis for the timely production of planned output, within the normal scope of their schedule of duties, may, on the recommendation of the Responsible Officer and subject to the approval of the Standing Committee on Fees and Allowances under the chairmanship of the MCSAR, be granted a monthly allowance of up to a maximum of two thirds of a month salary based on the duration of the work and the extent and quality of the contributions.**

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## 18.8 SALARY ON PROMOTION

- 18.8.1 The terms “promotion”, “class-to-class promotion” and “grade-to-grade promotion” are defined, according to the Personnel Management Manual, 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.
- 18.8.2 At present, promotion in line with the relevant provisions of the 2003 PRB Report is marked, except in certain specified cases, by an increase in salary representing at least three increments. In principle, an officer on being promoted joins the initial or flat salary of the higher scale or joins the salary point three increments above the incremental point he has reached in the lower post, whichever is the higher, 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.
- 18.8.3 The grant of three increments representing an immediate pay increase of around 10% on promotion and which was first introduced in 1987 is not only fair, but also in line with international practice. However, salary administrators had been faced with a number of difficulties in the implementation of this recommendation since its introduction particularly with junior officers superseding salarywise senior officers. For this reason the provision was scrapped in 1993, but was reintroduced since 1998 for grade-to-grade promotion only. In 2003, at the request of the staff side and also convinced of its reasonableness and fairness, the Bureau extended the recommendation to class-to-class promotion but with certain complementary provisions and safeguards.
- 18.8.4 While, in general, the present arrangements for the grant of salary on promotion have met the desired objectives, in certain instances, where appointment is made by selection of officers from various sources or where promotion is carried out from the same source grade to a promotional grade but via two different routes – one directly and the second indirectly,

supersession salary-wise may take place. The 2003 PRB Report does not provide for adjustment of salary in any of these cases.

- 18.8.5 As a matter of principle, we hold the view that the grant of an increase of salary to an officer, on promotion, should not generally lead to pay adjustment for other officers. Instances of promotion causing supersession requiring adjustment should, therefore, be avoided or minimised. However, in cases where class-to-class promotion is made from various source grades, situations may arise where officers appointed in the promotional grade at a later date may be drawing higher salaries than officers appointed from other source grades or from outside the service at an earlier date. A case in point is the example where a Higher Executive Officer nearing the top of his scale is promoted to the grade of Second Secretary at a later date, may be eligible to a salary higher than officers appointed earlier in a previous exercise. Such situations are normal in an overlapping structure and may arise even without the grant of any increment on promotion. In such cases, therefore, there is absolutely no case for adjustment of the salary of the senior officer.
- 18.8.6 On the other hand, when promotion may be done from one source grade to the same promotional grade but through different routes – one directly and the other indirectly, different scenarios are possible, like in the case of a Word Processing Operator appointed Confidential Secretary directly on a class-to-class basis and from Word Processing Operator to Senior Word Processing Operator on a grade-to-grade basis and then to Confidential Secretary on a class-to-class basis. In the latter case, the Word Processing Operator appointed through the indirect route may receive, on promotion, up to four increments, if both promotions were done within two years; and up to six increments if there were a gap of more than two years between the two promotions; whereas the Word Processing Operator promoted directly would earn up to a maximum of three increments. Such situations have arisen with the result that junior officers have superseded salarywise senior officers. There is need not only to bring about certain adjustment in such instances but also to eliminate or minimise such occurrences in the future.
- 18.8.7 Further, officers having completed 25 years' service in a single grade or 22 years' service in a single grade requiring a degree/professional qualification obtained after at least three years' full-time study are eligible to one increment. This increment has been granted particularly to officers who have not got any promotion. However, where such officers are promoted to a higher level after having benefited from the grant of long service increment, there is need to bring the necessary adjustment.

### **Recommendation 1**

- 18.8.8** We recommend that, in general, all promotions should continue to be marked by an increase in salary representing at least three increments subject to the provisions of paragraph 18.8.9 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 salary 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.
- 18.8.9** However, the undermentioned provisions should apply in the following specific cases:
- (i) 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 the same exercise, the serving officer should draw the initial salary of the grade or receive one increment if he was drawing more than the initial.
  - (ii) 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/Higher 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.
  - (iii) Where a senior officer has been promoted directly and an officer junior to him has subsequently been promoted indirectly to the same grade i.e. after having obtained another promotion, the junior officer should in principle be granted up to a maximum of three increments provided his salary does not exceed the salary of the officer who is senior to him and has been promoted directly to the grade before him.

### **Recommendation 2**

- 18.8.10** We also recommend that the salary of an officer who is promoted after having benefited from the grant of long service increment as at paragraph 18.8.7 should be adjusted by the grant of an aggregate of three increments, inclusive of the increment/s previously obtained for long service.

**Recommendation 3**

**18.8.11 We additionally recommend that the Standing Committee on Remuneration under the chairmanship of the Supervising Officer of the Ministry of Civil Service and Administrative Reforms and comprising representatives of the Ministry of Finance and Economic Development and the Pay Research Bureau may examine any relevant issue that may arise in the implementation of the provisions of “Salary on Promotion” and make appropriate recommendations.**

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## 18.9 INCREMENT AND INCREMENTAL CREDIT

### Increment

- 18.9.1 Most public sector pay scales are based on annual increments, payable each year, subject to satisfactory service and the maximum of the scale. Increments, including long service increments are only granted if the Head of Department certifies that the officer concerned has discharged his duties with efficiency, diligence and fidelity. However, over the years, the grant of annual increment has become almost automatic. Though regulations provide that an officer is not entitled to draw any increment as of right but only with the approval of the Responsible/Supervising Officer where the work and conduct of the officer have been at least satisfactory, the annual increment has invariably been recommended to every officer on pay scales. Only in rare exceptional cases of default or through strict application of regulations increments are stopped, withheld or deferred. Hard working employees are demotivated to find their peers granted the same incremental increase annually even for poor performance.
- 18.9.2 In September 2005, the Civil Service Arbitration Tribunal has, in the matter of State Informatics Limited Staff Union and State Informatics Limited, quoted several extracts from the 2003 PRB Report in its Award to observe that *“although the Public Sector has repeatedly been reminded that the annual increment is not a right, but must be earned, it has gradually and sadly found its way in our custom as being something automatic and therefore, acquired.”* The Tribunal, however, concludes that *“the present Annual Increment grant is to be maintained subject to major shortcomings that would include dishonesty, disloyalty or inefficiency.”* **The Bureau, therefore, considers that increments have to be earned, payable subject to satisfactory service and can be withheld in case of major shortcomings. We are making appropriate recommendations at Chapter 14 which deals with Performance Related Reward.**

### Incremental Credit

- 18.9.3 The Public Sector also recognises and rewards additional relevant qualifications, previous experience/s acquired under supervision and temporary service in the same capacity as that in which the substantive appointment lies. In such circumstances, increments in recognition of the additional qualification/s, experience/s, and temporary service are granted to eligible officers. There is also provision to compensate officers by way of additional increments for their scarce skills in areas where recruitment and retention problems arise.

### **Incremental Credit for Experience**

- 18.9.4 At present, incremental credits are granted for experience acquired before entry into the service at the rate of one incremental credit for each year of relevant experience subject to a maximum of three in certain broad specific areas. However, where an organisation encounters difficulty in the recruitment and retention of qualified officers, there is flexible arrangement to enable the grant of more than three incremental credits.
- 18.9.5 A Standing Committee examines applications for incremental credit for experience acquired prior to joining the service and makes awards on merit accordingly.
- 18.9.6 As the present arrangements and provisions are seen to be fair and have given satisfaction, we are maintaining them with a few modifications to facilitate implementation.

### **Recommendation 1**

- 18.9.7 **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 in respect of the following categories:**
- (a) **post-registration experience of professionals** such as in the case of Medical and Health Officer/Senior Medical and Health Officers and Dental Surgeon/Senior Dental Surgeons;
  - (b) **experience after having obtained the right to practice from the appropriate registered professional body or council** as in the case of Architects, Engineers and others;
  - (c) **post-qualification relevant experience acquired by other categories of graduates** who may not normally require registration or authorisation before practice; and
  - (d) **post-qualification experience** in a recognised hospital **for fully qualified nurses.**
- 18.9.8 **Applicants should, however, provide evidence of their experience, which should have been acquired locally or internationally, under licensed private practice or in a legally recognised institution or firm.**
- 18.9.9 **We also recommend that, subject to the approval of the Ministry of Civil Service and Administrative Reforms (MCSAR), incremental credit for experience beyond three increments may be granted where organisations encounter difficulty in the recruitment and retention of officers in a grade.**



- 18.9.10 Officers, after several years of service in a Local Authority or Parastatal and Other Statutory Bodies, on joining the Civil Service, are granted the initial point of the salary scale of the relevant grade. In several cases, these officers have acquired years of experience in a similar capacity which is not recognised for the grant of incremental credit. We have received representations that such type of experience should also be considered for the grant of incremental credit, particularly as the different institutions are all reported upon by the Pay Research Bureau.

### **Recommendation 2**

- 18.9.11 **We recommend that officers who move to the Civil Service be eligible to the grant of one incremental credit, up to a maximum of three, for each year of experience acquired in a similar capacity in a Local Authority or Parastatal Body and Other Statutory Body reported upon by the PRB. This recommendation should also apply to employees of the Private Secondary Schools, covered by the PRB, and joining the Civil Service. However, the incremental credits due under this recommendation would be payable on confirmation.**
- 18.9.12 **We also recommend that the provisions under paragraph 18.9.11 be extended to officers of a Local Authority, a Parastatal Body and Other Statutory Body reported upon by the PRB and the Private Secondary Schools covered by the PRB who move from one institution to another.**
- 18.9.13 **We further recommend that the Standing Committee under the Chairmanship of the MCSAR 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**

- 18.9.14 Presently, under certain conditions, one incremental credit is granted to all officers, whether on first appointment or not, for each completed year of temporary service in the same capacity as that in which the substantive appointment lies. We are maintaining this provision.

### **Recommendation 3**

- 18.9.15 **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 2008 do not draw a higher salary than officers appointed in the same capacity before 1 July 2008 and having a similar period of service or more;
- (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; and
- (e) where the temporary service, in the case of a confirmed officer, is less than one year, one incremental credit is payable as from the date the officer completes one year service in the grade or on 1 July, whichever is the earlier.

#### **Incremental Credit for Additional Qualifications**

- 18.9.16 The grant of incremental credit for additional qualifications is presently based on certain conditions, among others, the relevance of the qualification to the performance of the duties of the grade, the level of the qualification as compared to that specified in the scheme of service of the grade and the duration of studies.
- 18.9.17 The award of incremental credit for additional qualifications is determined by a Standing Committee on incremental credit under the Chairmanship of the MCSAR.
- 18.9.18 While we are bringing no change to the present arrangements that have been working satisfactorily, we are making additional provision in respect of lateral/horizontal qualifications and relevant partial qualification that would qualify for incremental credit. We are equally making provision for the grant of a one off non-pensionable lump sum to officers on flat salary becoming eligible for incremental credit.

#### **Recommendation 4**

##### **18.9.19 We recommend that qualifications which:**

- (a) 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 the Tertiary Education Commission;

- (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 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 granted for additional qualifications would in no case exceed three depending on the duration of studies for obtention of the additional qualifications as follows:
  - (a) up to two years' study - One increment  
full-time or equivalent  
part-time
  - (b) above two years' up to - Two increments  
three years study full- (inclusive of the  
time or equivalent part- increment at (a))  
time
  - (c) above three years' study - Three increments  
full-time or equivalent (inclusive of the two  
part-time increments at (b))

#### **Recommendation 5**

**18.9.20** We further recommend that the Standing Committee set up under the Chairmanship of the MCSAR and comprising representatives of the Ministry of Finance and Economic Development, the Mauritius Qualification Authority, the Tertiary Education Commission, the Pay Research Bureau and, where necessary, the Ministry/Department/Organisation concerned be maintained, to examine and determine the award of incremental credit for additional qualifications and to pronounce on any problem related, thereto.

### Lateral/Horizontal Qualification

- 18.9.21 In pursuance with the existing provisions, the Standing Committee does not award incremental credits to officers on the obtention of additional lateral qualifications which are not higher than the qualifications specified in the scheme of service for the grade. Representations have been made to review the present provisions.
- 18.9.22 It is submitted that, in few instances, the acquisition of an additional qualification, though not of a higher level than the qualification specified in the scheme of service of the grade, may be directly relevant to the function performed and considerably *increases the potential of an officer, enhances his performance* and improves the *effective delivery of a service e.g. a Medical Specialist doing administration and acquiring a Master's Degree in Management or Administration*. In such circumstances, the Bureau considers that it would be appropriate to compensate the officer for the additional qualification provided it is either at a degree or at a post graduate level.

### Recommendation 6

- 18.9.23 **We recommend, notwithstanding the provision at paragraph 18.9.19(a) and (b) (ii), the grant of one incremental credit to officers having obtained an additional qualification equivalent to a degree or higher, which is different from those specified in the scheme of service but is significantly relevant to the performance of the duties of the grade.**
- 18.9.24 In the 2003 PRB Report, we provided for the grant of incremental credit for additional qualifications which were partly relevant to the performance of the duties of the grade. Very often, the Standing Committee was faced with situations where only one or two modules of the whole course of studies were directly relevant to the performance of the duties of the grade. There is need to clearly define the parameters for the grant of incremental credit where the additional qualification is partly relevant.

### Recommendation 7

- 18.9.25 **We recommend that, for additional qualifications which are partly relevant, only those qualifications wherein 50% of the modules are relevant to the performance of the duties of the grade be considered for the grant of incremental credit.**
- 18.9.26 Presently, a non-pensionable lump sum equivalent to twelve times the value of the last increment is paid, in lieu of incremental credit, 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 18.9.19. Representations to grant incremental credit for additional qualifications beyond the top salary point is not acceded to due to the distortion it would cause in the pay structure. We are, therefore, maintaining the present provisions.

### **Recommendation 8**

**18.9.27** The payment of a non-pensionable lump sum, in lieu of incremental credit, 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 18.9.19, is maintained.

18.9.28 At present, no incremental credit for additional qualifications is granted to officers drawing a flat salary. 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.

### **Recommendation 9**

**18.9.29** 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 read from the salary scale of the Principal Assistant Secretary, to officers drawing flat salaries and obtaining an additional qualification at post graduate level or above, subject to the conditions laid down at paragraph 18.9.19.

18.9.30 In the 2003 PRB Report, we recommended that the provision set out at paragraph 18.9.19 should also apply 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, subject to certain conditions. We are maintaining this recommendation.

### **Recommendation 10**

**18.9.31** We recommend that the provisions set out at paragraph 18.9.19 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 of relevance to the duties of the grade and is deemed to increase the potential of the officer in the performance of his duties.

### **Recommendation 11**

**18.9.32** We also recommend that notwithstanding the provisions of subparagraph 18.9.19 (b) above, officers in the Workmen’s Class may be eligible for incremental credits even if the duration of the training course leading to the additional relevant Craft Certificate is of less than one academic year.

### **Incremental Credit for Specialist Qualifications**

18.9.33 Medical and Health Officer/Senior Medical and Health Officers are granted two incremental credits on obtention of a specialist qualification provided the criteria laid down at paragraph 18.9.19 (b) (i) to (v) are satisfied. The award of a standard quantum of incremental credit for specialist qualifications has given satisfaction to all concerned.

### **Recommendation 12**

**18.9.34 We recommend the grant of two incremental credits to Medical and Health Officer/Senior Medical and Health Officers on obtention of a specialist qualification provided that the criteria laid down at paragraph 18.9.19 (b) (i) to (v) are satisfied.**

### **Incremental Credit for Additional Qualifications in Parastatal and Other Statutory Bodies and Local Authorities**

18.9.35 Approval of requests for incremental credit for additional qualifications in respect of employees in parastatal and Other Statutory Bodies and Local Authorities are generally guided by the provision of our recommendations at paragraph 18.9.19. All cases in dispute are referred to the Standing Committee for decision. The present institutional arrangement is satisfactory and is being maintained.

### **Recommendation 13**

**18.9.36 We recommend that the provisions for incremental credit for additional qualifications at paragraphs 18.9.19, 18.9.23, 18.9.25, 18.9.27, 18.9.29, 18.9.31 and 18.9.32 be made applicable in Parastatal and other Statutory Bodies and Local Authorities.**

**18.9.37 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.**

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### *18.10 ACTING AND RESPONSIBILITY ALLOWANCES*

- 18.10.1 Management is responsible for the manner in which the duties of a vacant position, or a position whose occupant is absent, are carried out. Such situation normally occurs on the prolonged absence of job incumbent due to various reasons including sick leave, maternity leave, leave without pay, vacation leave, leave prior to retirement or on vacancy arising until it is filled on a permanent basis.
- 18.10.2 In these circumstances, where no arrangement can be made for the performance of the activities of the vacant position or absentees, employees are normally called upon to perform additional duties or shoulder higher responsibilities wherever management requires temporary cover quickly and expediently for the smooth despatch of business.
- 18.10.3 The Responsible/Supervising Officer has to seek approval from the appropriate Service Commission for an officer in the next lower grade (generally the most senior one) to be appointed in an acting capacity in a higher office or to do same, under power delegated by the appropriate Service Commission to appoint that officer.
- 18.10.4 The Responsible/Supervising Officer, beforehand, ensures that the appointee would undertake most of the core duties and responsibilities of the absentee, including the problem solving, decision making and a degree of forward planning which may be involved and which demands a higher level of expertise than the employee's normal position. It is not sufficient simply for the employee to fulfil a number of administrative tasks, which form part of the absentee's role.
- 18.10.5 The appointee is then paid an allowance, in addition to his normal salary, in recognition of his temporarily enhanced role. If he possesses the qualifications required for appointment in a substantive capacity in the higher post, he receives an acting allowance. If he is not fully qualified to be appointed in the higher post, he receives a responsibility allowance representing 75% of the acting allowance he would have received had he been fully qualified.
- 18.10.6 Where a higher post is normally filled by selection from among serving officers and/or from among candidates outside the service, the selected candidate is assigned the higher duties instead of being appointed to act in the higher post. In such circumstances, the appointee, if fully qualified, is paid a *responsibility allowance* equivalent to the quantum of the acting allowance (i.e. at full rate); and if not fully qualified at the rate of 75% of the quantum of the acting allowance.

- 18.10.7 This arrangement provides beneficiaries with an opportunity for advancement both in terms of reward and experience which may lead to enhanced career development. However, the beneficiaries cannot, for such arrangement, claim the right for automatic promotion.
- 18.10.8 We do not recommend any change in the present arrangements, except for the quantum of acting/responsibility allowance in case of unqualified officers.

### **Acting Allowance**

- 18.10.9 In the 2003 PRB Report, we made specific recommendations, following representations received, on the mode of computation of the acting allowance payable in both grade-to-grade and class-to-class actingship.
- 18.10.10 We are maintaining the present method of calculating the quantum of acting allowance as per the recommendation given below.

### **Recommendation 1**

- 18.10.11 The quantum of 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 salary scale) whichever is higher, 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.**

### **Responsibility Allowance**

- 18.10.12 We are also maintaining the current provisions regarding the payment of responsibility allowance **except that the quantum of allowance payable at the rate of 75% is being reviewed** as per the recommendation given below.

### **Recommendation 2**

- 18.10.13 We recommend that where, for administrative convenience, an officer is assigned the duties of a higher office by the appropriate Service Commission or by the Responsible Officer as delegated, the Supervising Officer should continue to authorise payment to the officer of a responsibility allowance as follows:**
- (i) where the officer is fully qualified to act in the higher post, the allowance should be equivalent to the acting allowance;**
  - (ii) where the officer is not fully qualified to act in the higher post, the allowance should be 80% of the acting allowance; and**



- (iii) **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 Conditions/Specific Provisions**

- 18.10.14 As per the provisions presently in force, the qualifying period governing payment of acting and responsibility allowances is 12 days. In addition, whenever an officer 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.
- 18.10.15 It has, however, been noted that officers especially higher officials, very often, take less than 12 days' leave. Thus those, who are requested to perform the higher duties during the absence of the substantive holders, for the first time, are not entitled to the payment of acting/responsibility allowance. Taking into consideration that the minimum grantable period of vacation leave is seven days, we are reviewing the qualifying period to bring it to 7 days.

### **Recommendation 3**

- 18.10.16 **We recommend that the qualifying period/specific provisions governing acting and responsibility allowances should be as per the following:**
  - (i) **No acting or responsibility allowance should be paid to an officer unless he acts in the higher office for a continuous period of seven days, i.e., the assignment should be for a minimum period of seven continuous days, inclusive of Saturdays, Sundays and Public Holidays.**
  - (ii) **An officer performing higher duties should not be eligible for acting or responsibility allowance for any period of absence exceeding seven days at a stretch.**
  - (iii) **Where an officer who is acting in a higher office proceeds on official mission overseas, he should be paid a special allowance equivalent to the acting allowance he would have drawn had he not gone on mission.**

### **Responsibility Allowance to Officers in the Workmen's Group**

- 18.10.17 A Supervising Officer may authorise payment of a responsibility allowance to an officer in the Workmen's Group who is required to perform the duties of a higher post.

18.10.18 As per the present provisions, the quantum of the allowance is computed on the same basis as for acting allowance, even if the officer is not fully qualified, and is paid on the actual number of days worked. We are maintaining these provisions.

**Recommendation 4**

**18.10.19 We recommend that the responsibility allowance in respect of officers in the Workmen’s Group should continue to be (a) computed on the same basis as for acting allowance even if the officer is not fully qualified; and (b) paid on the basis of the actual number of days worked.**

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### 18.11 MEAL ALLOWANCE

- 18.11.1 At present, an officer who is required to be on duty during cyclonic conditions or who is unexpectedly retained on duty after a normal day's work for at least 3½ hours beyond the normal working hours is provided with meal where catering facilities are available or paid a meal allowance of Rs 90.
- 18.11.2 There are also instances where officers are expectedly retained on duty beyond their normal working hours on account of the urgency and tight time frame for completion of an assignment or project but who are not entitled to a meal allowance.
- 18.11.3 We are, therefore, making some provision to cover such cases and revising the quantum of the allowance paid in lieu of meals.

#### **Recommendation 1**

- 18.11.4 **We recommend that officers who (a) are required to work during cyclonic conditions; and (b) are unexpectedly retained on duty after a normal day's work for at least three hours beyond their normal working hours be either provided with meals where catering facilities are available or paid a meal allowance of Rs 100 for each meal.**
- 18.11.5 **We also recommend that, notwithstanding the provision of paragraph 18.11.4 above, the Chief Executive of an organisation may, subject to availability of funds, grant a meal or a meal allowance to officers though they have been given advance notice and have been retained for at least three hours beyond their normal working hours for urgent work or for the timely completion of an assignment or project. This recommendation is not applicable to an officer who is scheduled to work according to a roster, shift or staggered hours or to an officer who regularly has to perform overtime.**

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### 18.12 OUT OF POCKET ALLOWANCE

- 18.12.1 At present, officers who are on official short visits and stay overnight on any island forming part of the Republic of Mauritius are paid an “Out of Pocket Allowance” of Rs 135 daily to cover for incidental expenses. This allowance is not payable for that part of the day the officer does not stay overnight. It is argued that even during such a day officers may have to incur expenses.
- 18.12.2 Further, officers on official visits to Agalega and St. Brandon have reported that during their voyage at sea which lasts for more than 48 hours, they are not provided with any meal and have to consume their own food.
- 18.12.3 A request has been made by these officers for the payment of an appropriate “Out of Pocket Allowance” for the number of days they stay on board the ship during their trip.
- 18.12.4 The Bureau is making appropriate recommendation to address those issues while revising the quantum of “Out of Pocket Allowance” to be paid to officers going on short official visits to any of the islands forming part of the Republic of Mauritius.

#### **Recommendation 1**

- 18.12.5 **We recommend the payment of an “Out of Pocket Allowance” of Rs 160 daily to officers going on short official visits to any of the islands forming part of the Republic of Mauritius. A part of a day shall be considered as a whole day for the purpose of payment of the “Out of Pocket Allowance.”**
- 18.12.6 **We also recommend that officers who go on official visits to Agalega and St. Brandon by ship should also be paid the ‘Out of Pocket Allowance’ for the number of days they stay on board the ship from and to Mauritius.**

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### 18.13 UNIFORMS

- 18.13.1 As distinctive clothing, uniforms can benefit the individual, organisation and society at large in that they create group affinity, enhance the spirit of togetherness and convey the feeling of reliability of the wearers.
- 18.13.2 Uniforms/protective clothing are granted to eligible officers mainly: for exercising authority or identification purposes; for protection against damage to clothing; because of tradition or international etiquette; and because the nature of duties causes a rapid wear and tear of clothing.
- 18.13.3 Presently uniforms are issued to staff of the Disciplined and Semi-Disciplined Forces while a Uniform Allowance is paid to other three identified categories of employees.
- 18.13.4 Free issue of uniforms is meant specifically for employees of the Disciplined and Semi-Disciplined Forces/Organisations as they have to comply with international norms and etiquettes. In these instances, provision of uniforms rests upon the appropriate organisations which include: the Police Department; the Prisons Department; the Fire Services Department; the Forestry Services Department, and the Civil Aviation Department.

#### **Present Position**

- 18.13.5 Uniform allowance is, at present, paid to three identified groups of beneficiaries who are classified under three broad categories namely: Category I, Category II and Category III respectively. The categorisation depends upon the nature of duties of the eligible officers, whereas the quantum of the allowance is revised annually on the basis of changes in prices of the relevant items of uniforms. Adjustment is also made every alternate year to take into consideration the cost of the item of cardigan.
- 18.13.6 Grades in respect of eligible officers under Category I are those whose nature of duties warrants a means of identification/authority and who should wear uniforms on duty. On the other hand, officers classified as Category II wear uniforms, as and when required, on the need arising while those falling under Category III are not normally required to wear uniforms on duty but whose nature of duties causes excessive wear and tear of clothing.
- 18.13.7 In our 2003 PRB Report, recommendations were made in respect of the categorisation of officers eligible for uniform allowance as well as the quantum of the allowance to be paid under each category. The determination of subsequent increases in the uniform allowance to be paid together with modalities for determining eligibility of officers in a new grade who should wear uniform for exercising authority or on grounds of tradition and/or international etiquette, were also specified. The enhanced entitlement

of items of uniform for grades in Rodrigues was maintained and the additional allowance for them determined. Moreover, it was also recommended that an internal audit system be set up in every organisation to ensure that eligible officers who have to wear uniforms did so on duty failing which disciplinary action should be initiated and the allowance stopped.

18.13.8 Feedback received from stakeholders indicated that the *modus operandi* adopted for the determination of uniform allowance and its subsequent increases as well as the different categorisation of beneficiaries and quanta of allowances were satisfactory and delivered the expected results.

18.13.9 We are, therefore, on this basis, making the following recommendations:

**Recommendation 1**

**18.13.10 The Bureau recommends that:**

- (i) **the uniform allowance paid to the three categories of eligible officers in Mauritius for financial year 2008-2009 should be revised as follows:**

Category	Allowance (including Cardigan)
I	Rs 3440
II	Rs 3230
III	Rs 3130

- (ii) **the grades in Rodrigues eligible for an enhanced entitlement of items of uniforms be paid an additional allowance as follows for financial year 2008-2009:**

Category	Additional Allowance
I	Rs 935
II	Rs 870
III	Rs 840

**18.13.11 The Bureau further recommends that :**

- (i) **for subsequent financial years, the quantum of allowance should continue to be adjusted on the basis of the changes in the prices of the relevant items of uniform as determined by the Central Statistics Office for the preceding financial year and also considering whether cardigans are due in the year or not.**

- (ii) where it is considered that officers in a new grade or in a grade other than those already eligible, should wear uniform to exercise authority or on grounds of tradition and/or international etiquette, the Responsible Officer should obtain the approval of the Standing Committee on Uniform. 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.

**18.13.12 In arriving at the different Uniform Allowances and Wear and Tear allowance, the Bureau has taken into account the increase in the cost of items of uniform for the period July 2007- June 2008.**

**Protective Items**

- 18.13.13 Protective items are provided to eligible officers to protect them from bodily injury and/or bad weather.
- 18.13.14 Eligibility for such items is determined by the Standing Committee on Uniform after considering the recommendation of the Occupational Safety and Health Unit of the Ministry of Civil Service and Administrative Reforms (MCSAR).
- 18.13.15 Given the need to safeguard eligible officers from bodily injury and/or bad weather, it is important that these items be issued on time.
- 18.13.16 The Bureau considers that necessary arrangements should be made for the issue of items of protective clothing/equipment, on time, to each eligible officer and therefore recommends accordingly.**

**Protective Clothing/item to Temporary/Casual Staff**

- 18.13.17 At present temporary/casual staff are entitled to the same privilege as regards the issue of uniform/protective clothing as their colleagues on the permanent and pensionable establishment after having served for an initial period of six months.
- 18.13.18 Findings of a survey carried out by the officers of the Occupational Safety and Health Unit of the MCSAR revealed that in a few cases casual/temporary workers are exposed to occupational risks which are likely to cause bodily injury in certain workplaces.
- 18.13.19 In view thereof, the Bureau recommends that where the nature of work of casual/temporary employees warrants the wearing of protective clothing/ item to protect them from bodily injury, Supervising Officers should issue/grant the appropriate protective clothing/item promptly.**

### Internal Audit System on Wearing of Uniforms

18.13.20 We recommended in the 2003 PRB Report that an internal audit system be set up in every organisation to serve as a control mechanism to ensure that eligible officers who have to wear uniforms do so on duty.

18.13.21 However the MCSAR reported that many organisations have yet to set up the system.

**18.13.22 We maintain that every organisation should continue to ensure that eligible officers who have to wear uniforms do so on duty. It should also be ascertained that officers who are provided with protective clothing/item do make use of same in the performance of their duties. In case of continuous non compliance by officers, the undermentioned procedure should be followed:**

- (a) the officer concerned should be verbally cautioned for failing in his undertaking to wear uniforms/protective clothing/protective item;
- (b) in case of further non-compliance, the attention of the officer concerned should be drawn in writing to this effect. He should equally be requested to abide, within a prescribed delay, by the undertaking which he has normally signed prior to the payment of the uniform allowance, failing which he may be liable to disciplinary action; and
- (c) in the event he still fails to abide by the written instructions within the given delay, payment of the uniform allowance should be stopped/withdrawn and the officer concerned should, in such circumstance, be required to furnish written explanations following which appropriate action may be taken as deemed necessary by Management.

### Standing Committee on Uniforms

18.13.23 The Standing Committee on Uniforms which comprises representatives of the MCSAR, the Ministry of Finance and Economic Development and the Pay Research Bureau, determines the eligibility for the grant of uniforms to new grades; decides on the provision of boots and new items of protective clothing and equipment; and devises such regulations or principles as may be necessary to deal with the issue. **This mechanism is effective and is being maintained.**

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## 18.14 FAMILY PROTECTION SCHEMES

- 18.14.1 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 while in service or after retirement. The Statutory Bodies Family Protection Fund (SBFPF) provides financial assistance to the surviving spouses and eligible children of associates of the Fund, which covers male and female employees of all Municipal and District Councils, the Sugar Industry Labour Welfare Fund, the Town and Country Planning Board and the staff of the Fund itself. Family benefits for employees of most Parastatal and other Statutory Bodies are provided under the Family Protection Scheme (FPS) with the State Insurance Company of Mauritius Ltd (SICOM).
- 18.14.2 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 the CSFPS but existing members as at July 1988 still have the right to opt for a return of contributions at age 60 instead of retaining eligibility to family benefits after age 60. The SICOM Family Protection Scheme provides whole life assurance cover, before and after retirement, to employees of statutory bodies.
- 18.14.3 We highlight below the salient features of the three above-named schemes.

### **Civil Service Family Protection Scheme**

- 18.14.4 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 57,800 contributors to the scheme and around 14,900 pensioners.

#### *Membership*

- 18.14.5 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*

- 18.14.6 The rate of contribution represents two per cent of the officer's gross salary.
- 18.14.7 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. Members of the National Assembly cease to contribute to the scheme at the end of their legislative service or upon reaching 60 years of age.

*Refund of Contribution*

- 18.14.8 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 is 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 is refunded plus compound interest at the rate of 4% per annum.
  - (c) 100% contribution is 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 is refunded 100% contribution together with compound interest at the rate of 4% per annum on the death of his spouse and he/she may elect not to contribute to the scheme until he/she retires from the service.

*Pensions*

- 18.14.9 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  $\frac{1}{3}$  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.

#### ***Reform of the Civil Service Family Protection Scheme***

- 18.14.10 A new Pension Scheme would be in operation as from 1 July 2008. Under the new scheme, the normal pension age would be 65 years instead of 60 and the amount of pension would be computed at the rate of  $1/690^{\text{th}}$  (instead of  $1/600^{\text{th}}$ ) of annual pensionable emoluments on retirement for every month of pensionable service, subject to a maximum of  $460/690^{\text{th}}$  (instead of  $400/600^{\text{th}}$ ).
- 18.14.11 In the light of these fundamental changes, we have revisited the Civil Service Family Protection Scheme currently in operation to reflect the pension reforms with regard to retirement age, computation of the amount of pension and qualifying period to benefit for a full pension.
- 18.14.12 We deal in the first instance with the transitional measures and, thereafter, with details of the Civil Service Family Protection Scheme revisited.

#### *Transitional Arrangements*

- 18.14.13 Taking into account the gradual increase in the retirement age from 60 to 65 years and the new accrual rate of pensions, there is need for transitional measures to secure acquired rights of contributors in post. We provide hereunder details of the transitional measures relating to (i) contribution and (ii) the basic unreduced pension in respect of public officers and members of the National Assembly in post as at 30 June 2008.

## **Recommendation 1**

**18.14.14 We recommend that the following transitional measures should apply :**

- (i) Public officers and Members of the National Assembly in post as at 30 June 2008 may, while in service, opt to cease to contribute to the Civil Service Family Protection Scheme on reaching 60 years of age. However, in that case, widows and orphans pension will be computed on the salary drawn at the time the member ceases to contribute to the scheme.**
- (ii) In respect of public officers in post as at 30 June 2008, the basic unreduced pension would continue to be 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).**
- (iii) In respect of members of the National Assembly in post as at 30 June 2008, the basic unreduced pension would continue to be computed at the rate of one six hundredth of the annual salary of a contributor at the date of death or when he ceases to be a member of this legislature for each completed month of his contributory service (not exceeding 400 months).**

### *Revised Civil Service Family Protection Scheme*

**18.14.15** The issue of the sustainability of the Civil Service Family Protection Scheme was raised on several occasions during discussions on public sector pension reforms. In the context of this review, representation has been made for the review of the rates of contribution to the scheme in order to ensure its financial sustainability.

**18.14.16** We have undertaken an indepth study of the whole issue and are of the view that, in the wake of the pension reforms in the Public Sector with employees contributing both towards their pensions and to the Family Protection Scheme, a total contribution of 8% is adequate.

## **Recommendation 2**

**18.14.17 We recommend that the rate of contribution to the Civil Service Family Protection Scheme be maintained at 2%.**

**18.14.18 We recommend that, subject to the transitional provisions set out above, the following new provisions should be made applicable with effect from 1 July 2008:**

- (i) Public officers should cease to contribute to the scheme on the occurrence of the following events: reaching 65 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. Members of the National**

**Assembly should cease to contribute to the scheme upon reaching 65 years of age.**

- (ii) **When a member of the National Assembly ceases to be a member, provided he has not reached 65 years of age, he may opt to cease to contribute or to continue to contribute to the Civil Service Family Protection Scheme at the rate of 4% of his salary at the time he ceases to be a member, to enable a longer period of contribution.**
- (iii) **The basic unreduced pension would be computed at the rate of one six hundred and ninetieth of the annual salary of the contributor at the date of death or at the date he ceases to be a public officer for each completed month of the contributory service (not exceeding 460 months).**

18.14.19 In addition to the foregoing reforms, we have also made additional recommendations to improve the existing provisions governing (i) the computation of pension in respect of a contributor who has retired in a higher office in an acting capacity, (ii) the computation of pension in respect of a former member of the National Assembly, and (iii) interest on contribution to be refunded.

*Pension in the Case of Actingship in a Higher Office*

18.14.20 Pension is based on the Basic Unreduced Pension (BUP) of a contributor at the date of his death or at the date he ceases to be a public officer, whichever is the earlier.

18.14.21 It has been reported that there are instances where the retiring pension of a contributor who has been acting in a higher office was computed on the basis of the salary of the higher post whereas the pension under the Family Protection Scheme was computed on the salary of the substantive post.

18.14.22 According to the advice obtained by the Civil Service Family Protection Scheme Board from the Solicitor-General, the pension under the Family Protection Scheme also has to be computed on the basis of the same salary used for the computation of the retiring pension.

**Recommendation 3**

**18.14.23 We recommend that, in the case of a contributor who has been acting in a higher office, the same retiring salary used to compute the retiring pension should be used to compute the pension under the Family Protection Scheme.**

*Pension in the Case of Members of the National Assembly*

- 18.14.24 At present, if a former Minister retires as a member of the National Assembly but not as a minister, the pension under the Family Protection Scheme is based on the last annual salary drawn i.e. that of a member and not that of the higher post occupied.
- 18.14.25 We are making appropriate recommendation to address the issue.

**Recommendation 4**

- 18.14.26 We recommend that the annual salary in respect of a member of the National Assembly should mean: (i) the annual salary payable to a member immediately before he ceases to be a member; or (ii) the annual salary drawn in respect of any office established by the Constitution and held by him at any time while he was a member, whichever is the higher.**

*Interest on Contribution to be Refunded*

- 18.14.27 At present, interest on refund of contribution is computed up to the date of retirement or the date the contributor ceases to be a public officer. For instance, if a contributor retires at the age of 60 but is eligible for a refund at the age of 70, interest is calculated up to the year of retirement.

**Recommendation 5**

- 18.14.28 We recommend that interest on contribution to be refunded should be computed up to the date the contributor is eligible for a refund.**

**Recommendation 6**

- 18.14.29 We recommend that, except for the foregoing reforms enunciated, all the other provisions of the Civil Service Family Protection Scheme governing membership, contribution, refund of contribution and pensions should continue to apply.**

*Legal Issues*

- 18.14.30 In order to implement the reforms enunciated, the necessary legislative and administrative systems would have to be put in place. Changes would be needed to the present legislation covering the Civil Service Family Protection Scheme, although much of the legislation would still apply without change.

**Statutory Bodies Family Protection Fund**

- 18.14.31 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.

- 18.14.32 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, is still in operation. The rate of interest is currently at 8% per annum and the loan ceiling is Rs 500000. Repayment is spread over periods varying between five and twenty years. Such loans are exclusively reserved for associates of the Fund.
- 18.14.33 As from 1 July 2001, the Statutory Bodies Family Protection Fund had been generally aligned on the model obtaining for the Civil Service and the provisions of the Fund regarding membership, contribution, refund of contribution and pension benefits are today almost similar to those under the Civil Service Family Protection Scheme. As at 31 December 2007, the Fund had some 7,446 associates and 1,084 beneficiaries (797 adult pensioners and 287 orphans).
- 18.14.34 In line with the reforms of the Civil Service Family Protection Scheme, we are making similar recommendations for the Statutory Bodies Family Protection Fund.

#### **Recommendation 7**

- 18.14.35 **We recommend that the legislation governing the Statutory Bodies Family Protection Fund be amended to reflect, as appropriate, the changes recommended to the Civil Service Family Protection Scheme.**
- 18.14.36 **We also recommend that the following transitional measures, along similar lines as for the Civil Service Protection Scheme, should apply :**
- (i) **Officers in post as at 30 June 2008 may, while in service, opt to cease to contribute to the Statutory Bodies Family Protection Fund on reaching 60 years of age. However, in that case, pension will be computed on the salary drawn at the time the member ceases to contribute to the scheme.**
  - (ii) **In respect of public officers in post as at 30 June 2008, the basic unreduced pension would continue to be 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).**

*Refund of Contribution*

- 18.14.37 Generally, a refund of contribution is made to a contributor with compound interest at the rate of 4% per annum. However, existing members of the SBFPF as at July 1988 still have the right to opt for a return of contribution at age 60 instead of retaining eligibility to family benefits after age 60. Such refund is effected without interest.
- 18.14.38 In the context of this review, the management of the SBFPF has made representation to the Bureau to enable refund of contribution to be effected, henceforth, with compound interest to all associates entitled to such refund.
- 18.14.39 We are making appropriate recommendation to that effect.

**Recommendation 8**

- 18.14.40 We recommend that existing members of the Statutory Bodies Family Protection Fund as at July 1988, who opt for a return of contribution in lieu of retaining eligibility to family benefits, should henceforth be refunded their contributions with compound interest at the rate of 4% per annum.**

**SICOM Family Protection Scheme**

- 18.14.41 The SICOM Family Protection Scheme is a group whole life assurance scheme open to all private companies and corporate bodies for their full-time and permanent employees.
- 18.14.42 It provides for a lump sum on the death of a member payable to his family.
- 18.14.43 The minimum contribution is 4% of the employee's pensionable salary, the employer and the employee contributing 2% each. Additional voluntary contribution by the employee to purchase increased benefits is possible.
- 18.14.44 During period of leave without pay, an employee is required to make the total contribution, that is, both his share and that of his employer.
- 18.14.45 If an employee retires before the age of 60 years, he has the following options:
- (i) Makes contributions up to age 60 at the rate of 4% of his salary at the time of his retirement, thus maintaining maximum benefits;
  - (ii) Makes contributions up to age 60 at the rate of 2% of his salary at the time of his retirement with reduced benefits; and
  - (iii) Stops payment of contributions. The benefits will be reduced based on contributions already made, provided they have been made for at least three years.



18.14.46 If an employee retires on grounds of ill-health, the benefits will be reduced based on contributions already made, provided they have been made for at least three years.

18.14.47 The SICOM has recently amended the Family Protection Scheme:

- (a) According to the new provisions, subject to sub-section (b) below, on attaining age 60, a member may exercise one of the following irrevocable options in lieu of the sum assured being paid on his eventual death.

**Option 1 :**

Where the employee reaching age 60 has no spouse or minor children, a sum equivalent to his total sum assured multiplied by an actuarial factor to be determined by the actuary is payable to him.

**Option 2 :**

Where the employee reaching age 60 has a spouse but no minor child:

- (i) subject to the consent of the spouse, a sum equivalent to 50% of the total sum assured multiplied by an actuarial factor to be determined by the actuary is payable to him;
- (ii) the remaining 50% of the total sum assured shall be payable on the death of the member to the spouse or his legal personal representatives in the absence of a spouse; and
- (iii) on prior death of the spouse, the member may be paid a sum equivalent to the remaining 50% of the sum assured multiplied by an actuarial factor to be determined by the actuary.
- (b) Where at age 60 an employee has no spouse but a minor child, the option for payment of benefits at age 60 will not be applicable. However, he will be allowed to exercise the option for the payment to him, of a sum equivalent to the total sum assured multiplied by an actuarial factor to be determined by the actuary, once the legal dependent reaches the age of 18 years.

18.14.48 The sum assured under the SICOM Family Protection Scheme payable on death is exempt from income tax.

**Recommendation 9**

**18.14.49 We recommend that, in the wake of the reforms of the Civil Service Family Protection Scheme and the Statutory Bodies Family Protection Fund, the State Insurance Company of Mauritius (SICOM) Ltd. takes necessary steps, to the extent that is possible, to implement the changes recommended.**

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### *18.15 RISK, INSURANCE AND COMPENSATION*

- 18.15.1 We are, in this chapter, elaborating on the current regulations to compensate workers for accidents, injury, exposure to harmful substances, assaults sustained in the course of employment as well as work related illnesses or diseases and making recommendations to improve existing measures.
- 18.15.2 Work is considered by the International Labour Organisation to be an important factor that can influence the health of a worker either positively or negatively. The effect that work may have on employees' health depends largely on the exposure to associated agents and on host factors, which obviously, vary from job to job and workplace to workplace.
- 18.15.3 Today, technological progress and intense competitive pressures bring rapid changes in working conditions and work processes along with new hazards and risks. Despite all measures taken to protect workers from such hazards and risks, in several instances it may be practically impossible to eliminate all risks inherent in a job. However, safety devices may, in such circumstances, minimise the level of risk/hazard.

#### **Management's Responsibility**

- 18.15.4 Management is responsible for the provision of safety at the workplace, in the use and operation of plant and equipment and in the system of work in compliance with national laws, regulations and good code of practice by:
- (a) actively participating and securing a safe and healthy working environment;
  - (b) minimising risk through proper design of work systems and processes supplemented with relevant administrative control measures;
  - (c) controlling remaining risk at source through the use of safety devices; and
  - (d) providing for appropriate personal protective equipment.
- 18.15.5 In line with existing regulations, Management should continue to be committed in promoting a safety culture at their workplace. Concurrently, employees should participate actively in the enterprise's occupational safety and health management system.

#### **Recommendation 1**

- 18.15.6 We recommend that management, as part of their corporate obligations, should continue to show strong leadership and commitment to occupational safety at the workplace and make necessary arrangements for the setting up of an occupational safety and health management system so as to minimise the risk of accident or injury and protect workers from the effects of health hazards caused by their working conditions.**

### **Compensation for Risk**

- 18.15.7 We are alive to the fact that accidents and occupational hazards at the workplaces are, at times, inevitable in spite of all measures and precautions taken. The Bureau has, therefore, when determining salaries, evaluated and compensated these residual risks.
- 18.15.8 In very few cases, however, where officers in a grade are continuously exposed to relatively higher risks by nature of their posting, in relation to other colleagues in the same grade, an additional allowance is paid, as an inducement. These provisions apply mainly to certain categories of employees of the Disciplined Forces, Hospital Staff of the Mauritius Prisons Service, the Medical and Para-Medical Staff of the Brown Sequard Hospital, and Chest Clinic.
- 18.15.9 The Bureau maintains its policy of (a) incorporating compensation for the element of risk in its salary recommendations, and (b) providing additional compensation by way of allowance exclusively to certain categories of employees of the Disciplined Forces as well as Hospital Staff of the Mauritius Prisons Service, the Medical and Para-Medical Staff of the Brown Sequard Hospital, and Chest Clinic and who are exposed to relatively higher risks than their colleagues in the same grade. The recommended revised allowances payable appear in the relevant chapters for Ministries/Departments.**

### **Provision of Personal Protective Equipment**

- 18.15.10 In several occupations where incumbents are exposed to health hazards and need to be protected, management does provide personal protective equipment such as gloves, masks, helmets, overalls and lead jacket/shield. These protective equipment should continue to be provided.
- 18.15.11 Recommendations regarding the provision of protective equipment and related allowances are given at Chapter 18.13 of this Volume.**

### **Health Surveillance**

- 18.15.12 Workers, who are exposed to certain risks, have to undergo medical examination regularly to ensure that they have not been contaminated. We are recommending the setting up of an appropriate Health Surveillance mechanism for the proper monitoring of the health status of such employees.

### **Recommendation 2**

- 18.15.13 We recommend that each organisation should, with the assistance of the Safety and Health Unit of the Ministry of Civil Service and Administrative Reforms (MCSAR), carry out a risk assessment to identify situations where employees are exposed to noxious substances or adverse working conditions that may impair their health**

and to place the employees concerned under a suitable Health Surveillance Programme.

- 18.15.14 We have made appropriate recommendations in the relevant class literature where sufficient empirical evidence already exists to justify Health Surveillance.

### **Compliance to Safety and Health Measures**

18.15.15 In the 2003 PRB Report, we recommended that Occupational Safety and Health officers of the Safety & Health Unit of the MCSAR should visit sites of work and ensure compliance to safety and health measures. Subsequently, the Unit carried out a survey at all workplaces in Ministries and Departments. The findings of the survey have revealed that there is no harmonised way to implement safety initiatives in Ministries and Departments.

18.15.16 To address this deficiency, a Departmental Safety and Health Committee was set up to enforce Safety and Health policies and programmes with a view to protecting employees against the risks of health hazards at their workplace, eliminating unsafe practices and tendering advice on ways of improving safety measures.

### **Recommendation 3**

18.15.17 We recommend that the Safety and Health Unit of MCSAR should provide assistance to Ministries and Departments in the setting up of Departmental Safety and Health Committees to implement safety and health policies; and to devise appropriate training programmes for workers on the potential health hazards and safe working practices.

18.15.18 We further recommend that the Departmental Safety and Health Committee be chaired by a senior officer and be responsible, *inter alia*, to:

- (a) implement the organisation's Safety and Health programme and system;
- (b) ensure conformity to relevant legislation, regulations and codes of practice;
- (c) ensure and enforce the use of personal protective equipment; and
- (d) carry out regular safety audits.

## **Workmen's Compensation**

- 18.15.19 Workmen's compensation allows injured employees to be compensated without the need for litigation. The underlying rationale for workers' compensation is (1) fairness to injured employees, especially those without the resources to undertake legal action and (2) reduction of costs to employers. Workmen's Compensation is very often referred to as a no fault approach to resolve litigations regarding workplace accidents.
- 18.15.20 With regard to Public Officers, Government as employer, bears the costs for compensation for occupational injuries, fatal accidents and occupational diseases arising out of and in the course of duties for all its employees including members of the disciplined forces.
- 18.15.21 The present provisions for compensation with regard to risks as recommended in the 2003 PRB Report cover every employee of the Public Sector – whether manual, non-manual workers or the disciplined forces. Given their broad coverage which, in general, has proved to be satisfactory, we are, in this Report, maintaining the existing provisions but with certain changes. We are also making provisions for the implementation of our recommendations administratively, pending amendments to the relevant legislation.

## **Recommendation 4**

### **18.15.22 We recommend that:**

- (i) All manual workers as well as non-manual workers whose annual earnings do not exceed Rs 72000 should continue to be compensated according to the Workmen's Compensation Act.**
- (ii) The Second Schedule of the Workmen's Compensation Act should be updated to cater for new occupational diseases.**
- (iii) Non-manual employees whose earnings are in excess of Rs 72000 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 specified in the First Schedule or under Section 7 of the Workmen's Compensation Act up to a maximum of Rs 1 million over and above any gratuity or pension covered under the Pension Regulations.**

- (iv) **Non-manual employees whose earnings are at a rate in excess of Rs 72000 a year and for members of the disciplined forces who sustain fatal injuries arising 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 last salary drawn before the accident, subject to a maximum of Rs 1.5 million be paid to the heirs over and above any gratuity covered under the Pension Regulations.**
- (v) **The High Powered Committee may, in the wake of amendments to the National Pensions Act, review the ceilings at paragraph 18.15.22 (iii) and (iv) and make such other related recommendations as appropriate.**
- (vi) **Pending amendments to the relevant legislation, the recommendations made at paragraph 18.15.22 (iii) and (iv) in relation to those employees whose earnings are above Rs 72000 annually and who are not governed by the Workmen’s Compensation Act be implemented administratively.**

**Medical Insurance Scheme**

**18.15.23 We recommend that the Ministry of Civil Service and Administrative Reforms negotiates with State Insurance Company of Mauritius (SICOM) for the setting up of a contributory medical scheme for public officers who would wish to join in.**

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### 18.16 FUNERAL GRANT

- 18.16.1 The Bureau has received representations from the staff side for the introduction of a funeral grant scheme in the Report similar to what obtains in the Private Sector.
- 18.16.2 At present, in the Public Sector there is a provision for the payment of a full month salary to the heirs of an officer who dies while in service, irrespective of the number of days the officer served during that month. This payment aims at assisting the family members of the deceased to meet the family expenditure for the month and to give the family time to adjust to the new situation.
- 18.16.3 It is true that funerals entail sudden unexpected additional expenses. The Bureau has examined the request and considers that, on compassionate ground, some form of financial assistance could be provided to help the bereaved family in meeting partly the deceased funeral expenses.

#### Recommendation

- 18.16.4 We recommend that where a public officer, holding a substantive appointment or having completed one year's continuous service, passes away while still in service, a funeral grant of Rs 3000 be paid to the officer's heir or nearest relatives who have borne the funeral expenses in addition to the salary in respect of the month in which the officer deceases.**

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### *18.17 COMMUNICATION FACILITIES*

18.17.1 Reliable and rapid means of communication are, nowadays, among the basic prerequisites of modern management. The tremendous advancements taking place in information and communication technologies have revolutionised the way the telephone can be used and have also led to a growing range of other tools or devices in the field of communications. These include mobile phones, facsimiles, internet and electronic mail.

#### **At Place of Work**

18.17.2 The Government is committed to the development of a responsive and flexible public sector and supports the wider use of information and communication technologies to improve the efficiency of its operations and the delivery of services to the public. Ministries/Departments are making every effort to provide telecommunication facilities including fixed phone, cellular phone, fax machine, computer, internet and e-mail at the place of work. There has been a marked growth in the number of public sector employees provided with access to the internet and electronic mail (e-mail) as a work tool.

18.17.3 Evidently, public officers provided with communication devices for official purposes are held accountable for the manner and purpose for which they are used. They have, therefore, the responsibility to make use of same efficiently, economically and ethically. Limited personal use particularly as regards the telephone is permissible as part of Government's commitment to the development of a responsive and flexible public sector which recognises the need for employees to respond to family and community responsibilities. Such use, however, should be limited and brief, and should not involve activities that might be questionable, controversial or offensive.

#### **At Place of Residence**

18.17.4 Another important aspect of the 'Communication Devices' policy in the Public Sector concerns beneficiaries of communication facilities at their place of residence and who generally fall into two categories:

- (i) Officers who benefit on account of their status.
- (ii) Those who benefit because of the nature of their work or posting.

18.17.5 As senior officials are required to be contacted or are required to contact others after normal office hours in connection with the duties of their position, communication facilities such as cellular phone or fixed telephone at their place of residence are 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 Head Office during and/or after normal working hours, are granted cellular phones or fixed phones.

- 18.17.6 Prior to the 2003 PRB Report, a Standing Committee, chaired by the then Permanent Secretary of the Ministry of Civil Service and Administrative Reforms (MCSAR) and comprising representatives of the Ministry of Finance and Economic Development (MOFED), the Ministry of Information Technology and Telecommunications and the Pay Research Bureau, was responsible to look into the whole question of eligibility and allocation of cellular phones, the type of equipment to be offered and the number of calls/units public officers are entitled to. The committee also evolved criteria for the allocation of fixed telephone at the place of residence to officers whose nature of duties/posting warrant same. The number of calls to which these officers were entitled was, however, determined by the management of the organisation concerned. The Standing Committee also examined request for the grant of internet facilities.
- 18.17.7 However, in the 2003 PRB Report, based on a survey, the whole issue in respect of the grant of free communication facilities to public officers - telephone (rental and calls) at place of residence and free cellular phone – was devolved on the management of Ministries/Departments/Organisations according to defined policies and guidelines for implementation. With regard to fax and internet facilities at place of residence, Ministries/Departments/Organisations generally seek prior authority of the MCSAR before granting such facilities to an officer.
- 18.17.8 In the context of this review, we have examined the issue anew via a fresh survey to take stock of the actual situation. Based on the data collected, the policies and guidelines used to determine eligibility of public officers to fixed telephone, fax and internet connection facilities at their place of residence as well as the use of cellular phone have been updated and/or reformulated. The aim of the policies is to provide concepts and guidelines for public sector organisations to use in the development of procedures and is designed to assist them to develop a policy that meets their own particular needs.

### **Policies and Guidelines**

#### *Fixed Telephone*

- 18.17.9 In the Civil Service, senior officers, on account of their status and officers whose nature of work so warrants, are eligible to free telephone rental with a varying number of call entitlement ranging from 20 to 200.

- 18.17.10 Officers of the levels of Principal Assistant Secretary, Permanent Secretary and above are generally entitled to 50, 100 and 150 calls a month respectively. A few officers are, however, entitled for unlimited number of calls, depending on the nature of their duties.
- 18.17.11 Some officers below the level of Principal Assistant Secretary, by virtue of their responsibility, are granted fixed telephone facilities at their place of residence and they are entitled to free local calls ranging from 20 to 125. However, all of them do not benefit from free rental.
- 18.17.12 Some police officers benefit from telephone privileges at their place of residence either because of their status or the nature of their work or posting and their entitlement normally varies from unlimited for the Commissioner of Police, 175 calls for the Deputy Commissioners of Police and up to 20 calls down the line.

*Fax Facilities*

- 18.17.13 Fax facilities at place of residence are currently granted to a very few senior public officials – Senior Chief Executives and Permanent Secretaries - on account of their posting and the very special nature of their functions. Ministries/Departments/Organisations should continue to seek the prior authority of the MCSAR before granting such facilities to an officer.

*Cellular Phone Facilities*

- 18.17.14 The use of mobile or cellular phones is a rapidly growing area of communication device usage. Mobile phones provide benefits that can significantly add value to service delivery. However, mobile phones incur substantially higher call charges than fixed telephone services and are not to be used where it is possible to use ordinary telephones. Users of mobile phones are, therefore, expected to keep all calls as short as possible.
- 18.17.15 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.
- 18.17.16 On the other hand, certain Heads of Departments/Divisions/Sections as well as a few junior officers (including Clerical Officers, Drivers, etc) are 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 or are provided with pre-paid cards, at the discretion of their management, which may vary on the basis of needs from one officer to another within the same grade.

18.17.17 In other instances, certain officers, particularly Drivers and officers required to be on call 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.

#### **Parastatal Bodies and Local Authorities**

18.17.18 The Parastatal Bodies and the Local Authorities generally adopt policies and guidelines, based on the Civil Service pattern, for the grant of communication facilities to their staff.

#### **Recommendation 1**

**18.17.19 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 continue to be devolved on the management of Ministries/Departments/Organisations. In the process, the latter should stand guided by the policies and guidelines given at paragraph 18.17.9 through to paragraph 18.17.12 on fixed telephone facilities and paragraph 18.17.14 through to paragraph 18.17.17 in respect of cellular phone in determining eligibility and entitlement to the different forms of communication facilities.**

**18.17.20 However, management of Ministries/Departments/Organisations should exercise proper and adequate control on the grant of such facilities and ensure that adequate processes and procedures are in place to prevent inappropriate and/or excessive use of communication devices.**

**18.17.21 With regard to fax facilities at place of residence, Ministries/Departments/Organisations should stand guided by the policies and guidelines set out at paragraph 18.17.13 and should seek the prior authority of the MCSAR before granting such facilities to an officer.**

#### *Internet Facilities*

18.17.22 At present, certain Chief Executives subject to the approval of the High Powered Committee are paid a monthly internet allowance of Rs 700 for the use of internet facilities at their place of residence. However, following several requests received from other categories of staff for similar facilities, the High Powered Committee has decided that the PRB should, in the context of this review exercise, have a fresh look into the whole issue of internet facilities and set well defined parameters for the grant of such facilities.

**Recommendation 2**

**18.17.23 We recommend that internet facilities be granted in cases where officers have to:**

- (i) interact from residence with international organisations for exchange of views, comments, and advice regularly outside office hours, having regard to the difference in time zone;**
- (ii) regularly carry out significant research from home for normal delivery or to meet deadlines; and**
- (iii) access from home and outside office hours a server situated at the office or away from home.**

**18.17.24 We also recommend that Ministries/Departments/Organisations should seek the prior authority of the MCSAR before granting such facilities to an officer.**

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### **18.18 FOREIGN SERVICE ALLOWANCE AND OTHER RELATED ALLOWANCES**

- 18.18.1 The Foreign Affairs Division of the Ministry of Foreign Affairs, International Trade and Cooperation comprises 20 Diplomatic Missions including two Consulates located in various cities of the world. Each mission is normally headed by an Ambassador/High Commissioner or a Consul as appropriate and officers in the grades of First Secretary and Second Secretary provide diplomatic professional services. Attaché and officers of the General Service Grades also provide support services.
- 18.18.2 The home-based staff serving in our diplomatic missions are paid, besides their monthly salary, Foreign Service Allowance and Other Related Allowances in the currency of the country of posting at the rate of exchange obtained at March 2003 to meet the cost of living and for a standard of living compatible with their rank. These allowances vary depending upon the grade of the officer and the country of posting.
- 18.18.3 However, in certain countries, on account of recurrent fluctuations in the exchange rate of their currencies against hard currencies and the Mauritian Rupee, the home-based staff are given the option to earn their salaries and Foreign Service Allowance in terms of Euro, Pound Sterling or US Dollars at the prevailing rate of exchange on a month-to-month basis.
- 18.18.4 We have in the context of this review, recomputed the Foreign Service Allowance and Other Related Allowances for each category of officers in the different cities where our missions are located considering, *inter alia*:
- (a) the relative costliness of a basket of goods and services in the foreign cities compared to a similar basket in Mauritius as determined following a joint survey carried out by the Central Statistics Office and this Bureau in March this year;
  - (b) the relative inconveniences and hardship encountered in some countries of posting;
  - (c) the Foreign Service Allowance drawn by the various officers prior to this review;
  - (d) the exchange rate obtaining at January 2008; and
  - (e) any fluctuation in exchange rate in the respective countries where our missions are located.
- 18.18.5 We are, therefore, making appropriate recommendations.

## Recommendation 1

### 18.18.6 We recommend that:

- (i) the quantum of Foreign Service Allowance to be paid to home-based staff in the currency of the respective country of posting should be as set out at Annex IV;
- (ii) the rate of exchange as appearing at Annex V should be applicable for all payments save for salaries of staff serving in our missions as at 30 June 2008; 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*.

All payments should, in principle, be in the currency of the country of posting and as per the recommendations.

### Payment of Salaries at the Prevailing Rate of Exchange

- 18.18.7 The salaries of home-based staff are generally converted in the currency of the country of posting on the basis of the fixed rates of exchange of March 2003 in line with the recommendations of the 2003 PRB Report. However, the home-based staff posted in the African and South East Asian regions are allowed to opt for conversion of their salaries in hard currencies (US Dollar, Pound Sterling and Euro) at the prevailing rate of exchange, following a decision of the Foreign Service Committee because of the continuous depreciation of the currency of their country of posting.
- 18.18.8 The application of fixed rate of exchange for conversion of salaries of home-based staff posted in UK, Euro Zone countries, USA or Australia compared with the prevailing rate of exchange for officers opting for hard currencies (US Dollar, Pound Sterling and Euro) while posted in the African and South East Asian regions, inevitably, brings in a disparity in the absolute quantum of the salary in Mauritian Rupees paid to individual officer in the same grade.
- 18.18.9 Therefore, the need is felt to rationalise the mode of conversion of salaries of staff in our foreign missions, irrespective of the country of posting to prevent financial prejudice to officers who continue to serve in the same mission.
- 18.18.10 The Director of Audit, in his Annual Report for the year ending 30 June 2004, had pointed out that it would be more advantageous to pay salaries in foreign currencies at the current rate of exchange to home-based staff posted in our

missions in the Euro Zone instead of the long standing practice of making use of a fixed exchange rate.

- 18.18.11 The Ministry of Foreign Affairs, International Trade and Cooperation is also of the view that on account of the frequent fluctuations in the rate of exchange, it would be more appropriate that the salaries of home-based staff in all our missions abroad should be payable on the basis of the current rate of exchange. The High Powered Committee has been apprised of this issue and at its meeting of 9 February 2006, ruled that in view of the complexity and implication thereof, the matter be considered by the Bureau in the context of its 2008 general review exercise.
- 18.18.12 We have examined this issue in all its dimensions and are of the view that the element of disparity needs to be addressed and we recommend accordingly.

#### **Recommendation 2**

- 18.18.13 We recommend that the prevailing rate of exchange of the currency of the country of posting should now be applicable for conversion of monthly salaries to home-based staff.**

#### **Midterm Review of the Foreign Service Allowance (FSA)**

- 18.18.14 It has been strongly represented that the present system of the payment of the FSA based on a five-year period is to the disadvantage of the staff due to the frequent fluctuations in the foreign currencies and the rise in the cost of living in their respective countries of posting.
- 18.18.15 It is argued that the payment of FSA in the currency of the country of posting is detrimental to staff posted in countries such as Madagascar and Maputo, due to the continuous depreciation of the local currency and the higher rates charged by banks as the currency is not tradable in terms of notes. These officers find their net income decreasing month by month. Requests have been made to consider the payment of the FSA in hard currencies instead of in the currency of the country of posting.
- 18.18.16 It has been advocated that there should be a mid-term review of the FSA instead of the quinquennially.
- 18.18.17 We have examined the points raised by the staff side and considered the weaknesses of the existing practice with regard to the payment of the FSA and are making provisions for an adjustment mechanism and for the possibility of a mid-term review of the quantum of FSA.

### Recommendation 3

**18.18.18** We recommend that the Foreign Service Committee (FSC) should consider the reviewing of the Foreign Service Allowance, whenever, there is a rise in the cost of living exceeding 20% in the country of posting.

**18.18.19** We further recommend that the FSC considers the advisability for a mid-term review of the FSA to be carried out in the light of a new comparative costliness index based on data to be worked out in or around January 2011 in the cities where our missions are located.

### Rent and Utilities

**18.18.20** Full charges of rent and utilities are paid for Ambassadors, High Commissioners and Permanent Representatives. Employees of other grades are eligible for rent and utilities up to a ceiling set according to broad salary levels in the currency of the country of posting. However, expenditure incurred above the prescribed ceiling of rent and utilities are borne *in toto* by the officer. Though the acquisition of quarters by Government, wherever feasible for the benefit of the relevant officers is an open option, the present arrangements are considered appropriate.

### Recommendation 4

**18.18.21** We, therefore, recommend that pending the acquisition of quarters, wherever feasible:

- (i) full charges of rent and utilities should continue to be paid for Ambassadors, High Commissioners and Permanent Representatives; and
- (ii) for officers in other grades, rent and utilities would be refunded up to a monthly ceiling according to broad salary levels and the currency of the country of posting as set out at Annex VI.

**18.18.22** We also recommend that:

- (i) any expenditure incurred above the prescribed ceiling of rent and utilities as at Annex VI should be borne *in toto* by the officer concerned; and
- (ii) officers reported upon in this review, other than local recruits, occupying their own house should be paid (80%) of the prescribed ceiling as at Annex VI.

**18.18.23** The fixed quantum of rent and utilities meant to allow home-based staff to rent a convenient accommodation in the respective countries of posting, becomes insufficient at the time of the renewal of the lease as landlords



claim an increase in the rent amount generally. Hence, officers have to bear the costs for electricity, gas and other utilities.

- 18.18.24 It has been submitted that in some cases the dates of departure of officers had to be postponed due to the unavailability of accommodation in the vicinity of the Embassies within the rates prescribed in our Report or the quantum proposed by the FSC.
- 18.18.25 Generally, requests for a review of rent and utilities are considered in between successive Reports by the FSC. However, the Ministry of Foreign Affairs, International Trade and Cooperation has submitted that authority should be delegated to the Supervising Officer to deal with increase in the rent and utilities up to a maximum of 25% in order to give a leeway to the Ministry to sort out problems of suitable accommodation for home-based staff when the latter is offered a new posting.
- 18.18.26 We have analysed the issue at length and consider that generally the FSC should continue to look into revision of the ceiling of rent and utilities, but we equally share the view of the Ministry that it would be in the interest of all parties to delegate authority to the Supervising Officer to consider urgent demand for reviewing the ceiling of rent and utilities particularly in case of a new posting. We are making appropriate provisions to this effect.

#### **Recommendation 5**

- 18.18.27 We recommend that the Supervising Officer of the Ministry of Foreign Affairs, International Trade and Cooperation be authorised on strong reasonable ground to revise the ceiling of the rent and utilities, subject to a maximum of 10% in urgent cases concerning new posting of home-based staff.**
- 18.18.28 We also recommend that any decision taken under the provision above should be ratified at the subsequent meeting of the FSC.**

#### **Utilities for Staff occupying accommodation provided by the Mission**

- 18.18.29 In some countries, home-based staff are provided accommodation in the premises owned by the Mission and, therefore, such staff members have to meet the cost of utilities only. We are, in this Report, making provisions for the quantum of utilities to be paid to such officers.

#### **Recommendation 6**

- 18.18.30 We recommend that officers provided with rent free accommodation be entitled to 20% of the quantum of rent and utilities provided for their grade as per Annex VI of this Report if they have to meet the costs for utilities comprising electricity, gas, water and telephone facilities. In**

**the event any of the utilities mentioned above is provided free of charge along with the accommodation facilities, appropriate deduction should be made to the quantum of 20% for rent and utilities.**

### **Entertainment Allowance**

18.18.31 Ambassadors, High Commissioners, Permanent Representatives, Minister Counsellors/Deputy High Commissioners, First Secretaries and Second Secretaries posted in our diplomatic missions are entitled to an entertainment allowance with a view to fostering healthy diplomatic relations and/or reciprocating invitations with foreign diplomats. The present quantum is being revised.

### **Recommendation 7**

**18.18.32 The quantum of entertainment allowance payable to home-based staff is revised as per Annex VII.**

### **Children's Education**

18.18.33 Dependent children of home-based staff posted in our missions aged between three and 20 years old who attend school up to secondary education are paid 50% of their school fees inclusive of admission fees, contribution to land/building fund, society fees, registration fees and school endowment fund.

18.18.34 It has been represented that children's school fees have registered significant increase and the refund provided for is insufficient to meet the increase in educational costs. Requests have been made to refund the school fees *in toto*.

18.18.35 Furthermore, it has also been represented that home-based staff who are mothers of children below three years are required to enroll their children in day care centres or nurseries and submit claims for the refund of nursery expenses.

18.18.36 We concur with the arguments put forward to review the rate of refund of school fees and also to extend this privilege to children up to three years attending nurseries/day care centres.

### **Recommendation 8**

**18.18.37 We recommend that for home-based staff posted abroad school fees should be refunded:**

- (i) at the rate of 60% in respect of their dependent children, aged between three and 20 years old attending pre-primary, primary and secondary schools as well as for children up to three years attending nurseries and day care centres; and**

- (ii) **at the rate of 80% for dependent children aged between three to 20 years old attending pre-primary, primary and secondary schools as well as for children up to three years attending nurseries and day care centres in countries where the medium of teaching is neither English nor French and where the children have no alternative but to seek admission in international schools.**

### **Service Allowance**

18.18.38 Ambassadors and/or High Commissioners appointed on contract to serve in our missions are paid service allowance in lieu of gratuity which is equivalent to 25% of salary earned by an officer on satisfactory completion of 12 months' service. The present service allowance in lieu of gratuity is being maintained.

### **Recommendation 9**

**18.18.39 We recommend the payment of a service allowance equivalent to two months' salary, in lieu of gratuity, to non-pensionable Ambassadors and/or High Commissioners on completion of 12 months satisfactory service.**

### **Medical Expenses**

18.18.40 Medical expenses to the tune of 85% are refunded to home-based staff posted in our missions whenever such expenditure is supported by medical certificates. In case of hospitalisation for surgical intervention, the totality of medical expenses are refunded in respect of officers, their spouses and dependent children aged up to 20 years.

18.18.41 Representations have been received from home-based staff that medical expenses should be refunded *in toto* even if hospitalisation is not prescribed by doctor. The Ministry of Foreign Affairs, International Trade and Cooperation submits that a feasibility study is being carried out for the introduction of a Medical Health Scheme. Pending the implementation of a Health Insurance Scheme, we are maintaining the present arrangements and reviewing the rate of refund of medical expenses.

### **Recommendation 10**

**18.18.42 We recommend that 90% of medical expenses supported by medical certificates should be refunded to home-based staff posted in our missions. In case of hospitalisation for surgical intervention, the totality of medical expenses incurred should be refunded in respect of the officers, their spouse and dependent children aged up to 20 years.**

### **Warm Clothing Allowance**

18.18.43 A Warm Clothing Allowance of £200 is paid to an officer proceeding to serve in our mission for the first time. The same allowance of £200 is paid to his spouse and each dependent child aged up to 20 years. We are maintaining the present arrangement.

### **Recommendation 11**

**18.18.44 We recommend that a Warm Clothing Allowance equivalent to £220 in the currency of the country of posting be paid to officers and to their spouse and dependent children aged up to 20 years on first posting and on subsequent posting when a period of five years has elapsed since the previous overseas posting.**

### **Foreign Service Allowance while on leave**

18.18.45 Officers who are on home leave or casual/vacation leave outside their country of posting are paid FSA up to one month. The present arrangement is maintained.

### **Recommendation 12**

**18.18.46 We recommend that the FSA up to one month should continue to be paid to officers who are on home leave, or casual/vacation leave outside the country of posting.**

### **Foreign Service Allowance during Study Leave**

18.18.47 Married officers posted in our missions and who stay with their family when sponsored to follow a course of study outside the country of posting, are paid a FSA of up to a maximum period of four months. We are maintaining this provision.

### **Recommendation 13**

**18.18.48 We recommend that the FSA should continue to be paid, to officers posted to our missions and sponsored to follow 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**

18.18.49 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 £200, whichever is higher, is payable to the officer. We are maintaining this benefit.

#### **Recommendation 14**

**18.18.50** We recommend the payment of a transfer grant equivalent to 5% of the gross annual salary or an amount equivalent to £200, whichever is higher, in the currency of the country of posting on return from overseas or on transfer from one mission to another or while proceeding to an overseas mission on a first posting.

#### **Travelling**

18.18.51 The home-based staff posted in our missions are entitled to travelling facilities along the same lines as their counterparts serving in Mauritius. We are maintaining the car benefits, but providing for options such as payment of car allowance in lieu of duty remission and duty remission on car of higher engine capacity for deferred renewal.

#### **Recommendation 15**

**18.18.52** We recommend that:

- (i) the same travelling benefits granted to officers in Mauritius be applicable to home-based staff posted in our missions except for those drawing a monthly salary of Rs 80000 and above;
- (ii) officers, drawing a monthly salary of Rs 80000 and above other than Ambassadors, High Commissioners and Permanent Representatives should, on posting to a mission, be allowed to use the official car; and
- (iii) Ambassadors, High Commissioners, Permanent Representatives and Officers drawing a monthly salary of Rs 80000 and above should be entitled to make use of an official government car for travelling purposes while on leave in the home country in respect of official functions.

#### **Baggage Allowance**

18.18.53 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 £200 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.

18.18.54 In view of the hassles and extraneous costs involved to take luggage and personal effects in part of a container for shipment, it is represented that the present provision of nine cubic meters be raised to a full container load of 20 feet. We concur with the representations.

### **Recommendation 16**

**18.18.55** We recommend that officers, on return from overseas or on transfer from one mission to another or while proceeding to overseas mission on a first posting, be paid an amount equivalent to £210 in the currency of the country of posting as excess air baggage allowance. These officers should also be refunded the cost of transportation of either a 20 feet container of personal effects by sea, subject to 15% of the overall costs inclusive of freight charges which should be borne by the beneficiary or the cost of transportation by sea of up to 10 cubic meters of personal effects not exceeding four tons.

### **Subsistence Allowance**

18.18.56 Home-based staff posted in our missions at short notice are entitled to a Subsistence Allowance for a maximum of 10 days and in exceptional cases up to 15 days. During this period, no payment is made for other allowances. The present arrangement is maintained.

### **Recommendation 17**

**18.18.57** We recommend the continued payment of a Subsistence Allowance for a maximum of 10 days and in exceptional cases up to 15 days to home-based staff posted in our missions at short notice. However, the beneficiary would not qualify for any other allowance during this period.

### **Tour of Service**

18.18.58 The duration of a tour of service for Diplomatic Staff posted in our missions is normally for a period of three years. As and when necessary, the tour of service is extended for a further period of one year duration. The General Service Staff are allowed to serve for only one tour of service but in countries where the conditions of living are difficult, the tour of service may be of a shorter duration. The present arrangements are maintained.

### **Recommendation 18**

**18.18.59** We recommend that a tour of service for Diplomatic Staff posted in our missions should normally continue to be for a period of three years. However, in exceptional circumstances, the tour may be extended for a further period not exceeding one year.

**18.18.60** We also recommend that the General Service Staff should serve for only one tour of service and that the tour may be of a shorter duration in countries where the conditions of living are difficult.

## **Consul**

18.18.61 Consuls are the official representatives of the Republic of Mauritius who are normally posted in the main cities to provide assistance to the citizens, promote trade and issue visas. They are also eligible for the payment of Foreign Service Allowance and Other Related Allowances which we are maintaining.

## **Recommendation 19**

**18.18.62 We recommend that the Foreign Service Allowance and Other Related Allowances for Consul should be as set out at Annex VIII.**

## **Foreign Service Committee**

18.18.63 The Foreign Service Committee comprising the Supervising Officer of the MCSAR and representatives of the Ministry of Foreign Affairs, International Trade and Cooperation, the Ministry of Finance and Economic Development (MOFED), the Central Statistics Office and the Pay Research Bureau to examine and report on matters related to conditions of service of officers posted in our missions in between reviews. The Committee may co-opt a representative of the Diplomatic class, whenever necessary.

18.18.64 We are maintaining the composition and present arrangements as well as the terms of reference of the Committee.

## **Recommendation 20**

**18.18.65 We recommend that the Foreign Service Committee under the chairmanship of the Supervising Officer of the MCSAR comprising representatives of the Ministry of Foreign Affairs, International Trade and Cooperation, the MOFED, the Central Statistics Office, the Pay Research Bureau and a co-opted representative of the Diplomatic Class continues to examine and report in between general reviews on matters related to conditions of service of officers posted in our missions, whenever required.**

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

## 19. RETIREMENT AND RETIREMENT BENEFITS – NEW PENSION SCHEME FOR THE PUBLIC SECTOR

### Introduction

- 19.1 Chapter 15.13 of the Pay Research Bureau (PRB) Report of June 2003 dwelled upon and expounded on the issue of Public Service Pension Reforms. The Bureau made a number of proposals for consideration by Government, among others, that a new contributory pension scheme be introduced as from 1 July 2004 for new entrants who would receive a higher initial salary, taking into account both the members' contribution and the benefits under the new scheme. The rate of contribution and the retirement benefits were to be determined by Consultants commissioned to undertake a study on the subject matter.
- 19.2 The Government subsequently postponed the implementation of the PRB 2003 recommendations on the Public Service Pension Reforms until submission and consideration of the Report of the Government Actuary's Department (GAD) of UK mandated to design a new pension scheme for the Public Sector. The Report of the Consultant was submitted only in 2006.
- 19.3 In the light of the recommendations of the Implementation Working Group set up in the wake of the GAD Report and tasked to drive and look into issues related to pension in the public service, Government announced, *inter alia*, the introduction of a Contributory Defined Benefit (DB) Pension Scheme and the gradual increase of the retirement age from 60 to 65 years, starting 2008 and achieving the target in 2018.
- 19.4 The relevant extracts of the Budget Speech 2006-2007 are reproduced hereunder:
- “the retirement age will gradually be raised from 60 to 65 years, both in the public and private sectors.”*
- “The proposed contribution rate of 6 per cent will be taken into account in the next PRB report due in 2008. The normal pension age will be 65 instead of 60. The computation of the amount of pension and the qualifying period to benefit for full pension will also be adjusted accordingly. This new scheme will be applied to all employees, with transitional measures to secure acquired rights.”*

### Considerations and Implications of the Pension Reforms

- 19.5 Section 94 of the Constitution, which deals with pension laws and protection of pension rights, provides, *inter alia*, that the law to be applied with respect to any pension benefit shall in so far as those benefits are wholly or partly in



respect of a period of service as a public officer that commenced after 11 March 1968, be the law in force on the date on which that period of service commenced, or any law in force at a later date that is not less favourable to that person.

- 19.6 Section 94 of the Constitution further provides that where a person is entitled to exercise an option as to which of two or more laws shall apply in his case, the law for which he opts shall be deemed to be more favourable to him than the other law or laws.
- 19.7 It follows, therefore, that if officers are to opt for the revised pension arrangements, the new pension provisions should necessarily be and seen to be more favourable than **either** those prevailing when their period of service commenced **or** arrangements subsequent thereto for which they may have opted. Care has, therefore, been taken to ensure the foregoing in designing the new pension arrangements as well as the transitional provisions.
- 19.8 With the coming into force of this Report, with effect from 1 July 2008, (a) a single contributory pension scheme would have to be implemented for all public officers, both current and future; and (b) transitional measures would have to be designed for officers in post as at 30 June 2008 to secure existing pensions rights in conformity with the constitutional provisions and to ensure acceptability.
- 19.9 The new scheme would involve a shift from a non-contributory pension regime to a contributory one and public officers, both present (where such officers exercising an option in favour of the new scheme) and future, would be required to contribute towards their pensions at the rate of 6% of their salaries. This shift, in itself, might be argued to adversely affect existing pensions rights unless the employer makes good for that contribution. To deal with the issue, it would, therefore, be necessary that the recommended salaries be adjusted to take into account both the contributory element and the impossible tax thereon and we have, therefore, proceeded accordingly. **The employee contributions as well as the tax element have, therefore, been taken into account in arriving at the salaries recommended for the different grades.**
- 19.10 The other important element of the Government's decision is that the normal retirement age would be 65 instead of 60 years for new entrants into the public service as from 1 July 2008. However, for officers in post as at 30 June 2008, the retirement age would have to be gradually increased from 60 to 65 years over a period of 10 years starting August 2008. It should be noted that though the normal retirement age is being increased, public officers, both future and present, would still have the option to retire earlier as referred to at paragraph 19.25.

- 19.11 The increase in the normal retirement age from 60 to 65 years implies an adjustment in the accrual rate and the qualifying period for full pension. At present, pension is earned at the rate of 1/600<sup>th</sup> of pensionable emoluments for each month of pensionable service and officers qualify for full pension after 400 months' service i.e. 33 ⅓ years. The Bureau does not propose to retain the recommendation of the GAD Report to the effect that the normal period to benefit from full pension should be 40 years (480 months) of pensionable service. The GAD Report had recommended that the amount of pension be computed at the rate of 1/720<sup>th</sup> of pensionable emoluments on retirement for every month of pensionable service, subject to a maximum of 480/720<sup>th</sup>. **In consonance with the increase in the retirement age, it is considered more logical that a new entrant should serve 38 ⅓ years to benefit from full pension and we propose to recommend accordingly.**
- 19.12 In view of the new retirement age and the new accrual rate, the provisions for special categories of officers, namely members of the disciplined forces and the medical and dental professions and Judges would need to be adjusted correspondingly.
- 19.13 With regard to transitional measures concerning accrual rate, the Bureau is faced with two options – either officers in post as at 30 June 2008 continue to earn pension at the rate of 1/600<sup>th</sup> of pensionable emoluments and qualify for full pension after 33 ⅓ years' service, as requested by the staff side or that their future service carries pension at the new rate after a transitional protection period of 10 years i.e. beyond 1 July 2018. However, if the latter option were to be chosen, appropriate compensation would have to be computed for employees in post and integrated in the pay package. **In the present circumstances, the first option is favoured and we are recommending accordingly.**
- 19.14 In essence, the Bureau has computed the employee pension contribution and other related elements and integrated same in the salary scales of the different grades and has also maintained the accrual rate of 1/600<sup>th</sup> of pensionable emoluments for employees in post as at 30 June 2008, in keeping with the spirit of Section 94 of the Constitution, which deals with pension laws and protection of pension rights.
- 19.15 We have additionally made recommendations to allow officers, if any, who may wish for one reason or another not to opt for the pension reforms (though we consider the reforms fairer and better than the arrangements obtaining at 30 June 2008) but instead to opt for the previous pension arrangements together with the PRB Review, to do so. **In such circumstances, the new salary structures recommended would evidently have to be implemented at a discounted rate and we are recommending accordingly.**

## **Conclusions**

19.16 From the Government's perspective, the reforms of the current pension scheme would:

- (a) facilitate the introduction of a Unified Scheme both for new entrants and officers in post as regards contribution, retirement age and, in principle, retirement benefits;
- (b) enable Government to increase the retirement age gradually from 60 to 65 years thus reducing future costs of pension for public officers;
- (c) allow each generation of employees to cater for its own pension instead of the present system which leaves the burden of present pension on future generations; and
- (d) reduce the ratio of dependent to worker over time.

From the employees' perspective, the reforms of the current pension scheme would:

- (a) be beneficial as their retirement benefits - pension and lump sum - and all other benefits directly related to salary e.g. passage benefit, end of year bonus, sick leave refund would be based on a higher salary;
- (b) make officers eligible to enhanced loan entitlement based on the enhanced salary; and
- (c) provide officers with the option of working beyond 60, should they so wish.

19.17 It is against this background that different options have been examined and details of the new pension scheme worked out. The pension arrangements of the new scheme would be applicable both to new entrants as well as employees in post as at 30 June 2008, except where the transitional provisions provide for a difference in treatment to current employees.

## **Recommendation 1**

**19.18 We recommend that a single modified Defined Benefit (DB) Pension Scheme, along the lines enunciated in the Budget Speech 2006-2007, be made applicable to all officers in the Public Sector i.e. officers in post as at 30 June 2008 as well as new entrants in the service thereafter. The new Pension Scheme would be a contributory one, run on a Pay As You Go (PAYG) basis, and would become effective as from 1 July 2008.**

- 19.19 The salient features of the modified Defined Benefit (DB) Pension Scheme, including provisions for special categories of officers, are elaborated upon hereunder at paragraphs 19.20 to 19.27 **and the transitional arrangements for employees in post as at 30 June 2008 at paragraphs 19.29 to 19.37.**

#### **Contribution**

- 19.20 **As the cost of running the new Scheme is estimated at 18% of employee emoluments, the employee contributions both for new entrants as well as for officers in post have been set at the rate of 6% of their pensionable emoluments rounded to the nearest rupee. The employee contributions of 6% would be deducted at source and paid directly into the Consolidated Fund.**
- 19.21 **Trainees, Students, Cadets or Apprentices recruited under any traineeship, studentship, cadetship or apprenticeship scheme would be required to contribute at the rate of 3% of their emoluments rounded to the nearest rupee.**
- 19.22 **Government may wish to consider at a later stage (a) the advisability of setting up a dedicated fund with its own contributions as well as the contributions of officers; and (b) the advisability of starting with the fund preferably in respect of new entrants as from, say, 2010-2011.**
- 19.23 **The employee pension contributions, the taxable element thereon, as well as all the other changes in pension provisions have been taken into account in arriving at the salaries recommended for the different grades.**

#### **Refund of Contribution**

- 19.24 **In the event a public sector employee leaves or otherwise ceases to be in the public sector and no portable benefit is transferable and no pension, gratuity or other allowance is payable to him in respect of his past service in the public sector, provided he has effectively contributed to the modified Defined Benefit (DB) Pension Scheme for a year or more, the officer should be refunded 100% of his contribution together with compound interest at the rate of 4% per annum.**

#### **Retirement Age**

- 19.25 (i) **The normal retirement age of a public officer holding a pensionable office would, subject to the transitional provisions below, be 65 years but officers would have the right to retire at the age of 60. On the approval of the relevant Service Commission, the officer may retire at the age of 55, or in the case of overmanning, at the age of 45.**

- (ii) Management may, where physical fitness is an essential requirement for the proper performance of the duties, require any officer who opts to work beyond the age of 60 to undergo a yearly medical examination to certify his fitness for continued employment.
- (iii) A member of the Disciplined Forces or an officer of the Correctional Youth Centre or the Rehabilitation Youth Centre who, on attaining the age of 60, opts to work beyond that age should be required to undergo a yearly medical examination to certify his fitness for continued employment.
- (iv) The normal retirement age for Judges would be 67 years.
- (v) A public officer may retire on medical ground (irrespective of length of service or age) or may be made to retire compulsorily in the interest of the Public Service, or on abolition of office, or for the purpose of facilitating improvement in an organisation.
- (vi) A female officer reckoning five years' service may retire on ground of marriage, irrespective of age.
- (vii) Officers in the Disciplined Forces or officers of the Correctional Youth Centre or the Rehabilitation Youth Centre may retire on proportionate pension after  $28\frac{3}{4}$  years' service, irrespective of age.

#### **Accrual Rate and Qualifying Period**

- 19.26
- (i) The amount of pension would be computed at the rate of  $\frac{1}{690}$ <sup>th</sup> of pensionable emoluments on retirement for every month of pensionable service, subject to a maximum of  $\frac{460}{690}$ <sup>th</sup>.
  - (ii) The normal qualifying period to benefit from full pension for public officers other than those at paragraphs (iii) and (iv) below holding pensionable office would be  $38\frac{1}{3}$  years (460 months) of pensionable service.
  - (iii) Members of the Disciplined Forces or officers of the Correctional Youth Centre or the Rehabilitation Youth Centre, after completing  $28\frac{3}{4}$  years of service, would be granted an enhanced pension at the rate of  $\frac{1}{414}$ <sup>th</sup> of pensionable emoluments for each additional month of service, which enable them to qualify for full pension after  $34\frac{1}{2}$  years of service.

- (iv) **Members of the Medical and Dental professions would be entitled to pension at the rate of  $1/621^{\text{st}}$  of pensionable emoluments thus qualifying them for full pension after  $34\frac{1}{2}$  years of service.**
- (v) **Members of the Judiciary (Chief Justice, Senior Puisne Judge and Puisne Judge) would qualify for pension at the rate of  $1/460^{\text{th}}$  of their pensionable emoluments, subject to a maximum of  $460/460^{\text{th}}$ .**
- (vi) **A female officer, reckoning not less than five years' service, retiring on grounds of marriage would qualify for a gratuity of an amount equivalent to 18% of the last monthly salary times number of months of pensionable service, subject to a maximum of one year's pensionable emoluments.**
- (vii) **In the case of abolition of office and re-organisation, an officer would be granted an additional pension at the annual rate of one sixty ninth of his pensionable emoluments for each complete period of three years' pensionable service provided that:**
  - (a) **the addition does not exceed twenty three-one hundred and thirty eighths; 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 retirement, and retired on reaching the age at which he may be required to retire without the approval of the appropriate Service Commission or Board.**

### **Pension on Early Retirement for New Entrants**

19.27 On early retirement (after age 55 and before age 65), the annual rate of pension payable, which is  $12/690^{\text{th}}$  of the salary received in the last full year of employment would be reduced by a factor to be determined after an actuarial study.

### **Legal Issues**

19.28 In order to implement the new Pension Scheme, the necessary legislative and administrative systems would have to be put in place. Changes would be needed to the legislation covering each Public Sector Pension Scheme, although much of the legislation would still apply without change. The main legislation that would require amendment are:

- (a) The Pensions Act (of 1 January 1952) and the corresponding Pensions Regulations 1951, (both as amended) which provide for the main public service employees pensions;

- (b) The Local Authorities (Pensions) Act (of December 1980) (as amended) which provides for local authorities employees pensions; and
- (c) The Statutory Bodies Pension Funds Act (of 1 July 1978) (as amended) which provides for pensions of employees of parastatal bodies.

### **Transitional Arrangements**

19.29 We provide hereunder details of the transitional measures relating to (i) retirement age; and (ii) accrual rate for officers in post as at 30 June 2008 in the light of the considerations enunciated at paragraphs 19.10 and 19.13.

### **Transitional Provisions – Retirement Age**

19.30 Public officers in post as at 30 June 2008 holding a pensionable office have to compulsorily retire at the age of 60, have a right to retire at the age of 55 and may retire at the age of 50 with the approval of the relevant Service Commission.

19.31 On the other hand, section 78 (7) of the Constitution provides that the normal retirement age for Judges shall be the age of 62 years or such other age as may be prescribed by Parliament. A provision of any Act of Parliament, to the extent that it alters the age at which Judges of the Supreme Court shall vacate their offices, shall not have effect in relation to a Judge after his appointment unless he consents to its having effect. The Lord Mackay Report considers that having regard to the trends in the world generally and in the Commonwealth it would be reasonable to raise the normal retiring age for Judges to 67, leaving an option to those presently serving to retire at 62.

19.32 As the different age criteria in respect of retirement have now been reviewed with the implementation of the modified Defined Benefit (DB) Pension Scheme, we are making transitional provisions for officers in post as at 30 June 2008.

19.33 We offer in Table I to Table III operative recommendations for the implementation of the gradual increase in the retirement age in respect of the different categories of public officers proceeding on retirement. In other words, an officer has a right to retire five years prior to the normal retirement age and may retire 10 years prior to the normal retirement age with the approval of the relevant Service Commission. We have maintained these arrangements for early retirement, for officers in post.

- Table I indicates the gradual retirement age increase (i.e. the age at which a public officer would normally be required to leave the service as per legislation) from 60 to 65 over the period 2008 to 2018. (It

should be noted that officers may still retire at an earlier age as mentioned below)

- Table II indicates the gradual optional retirement age increase from 55 to 60 over the period 2008 to 2018
- Table III indicates the gradual retirement age increase (with the approval of the relevant Service Commission) from 50 to 55 over the period 2008 to 2018

19.34 We also offer in Table IV operative recommendations for the implementation of the gradual increase in the retirement age of Judges. The table indicates the gradual compulsory retirement age increase for Judges from 62 to 67 over the period 2008 to 2018.

## **Recommendation 2**

**19.35 We recommend that:**

- (a) the normal retirement age of officers in post as at 30 June 2008 should gradually be raised from 60 to 65 years in accordance with Table I. (This has been done by adding one month to the retirement age every two months, starting August 2008. With this formula, the target of compulsory retirement age at 65 for all officers would be reached in August 2018);
- (b) the optional retirement age of officers in post as at 30 June 2008 (i.e. the age at which officers can leave the service without seeking permission) which stands at 55 be gradually raised from 55 to 60 years in accordance with Table II;
- (c) the retirement age of officers (who retire with the approval of the relevant Service Commission) in post as at 30 June 2008 which stands at 50 be gradually raised from 50 to 55 years in accordance with Table III; and
- (d) the retirement age of Judges in post as at 30 June 2008 should gradually be raised from 62 to 67 years in accordance with Table IV.

19.36 Table I to Table IV are given at the end of this chapter.

## **Transitional Provisions – Accrual Rate**

**19.37 The retirement benefits of public officers in post as at 30 June 2008 would continue to be computed on the basis of the provisions in force prior to the coming into effect of the modified Defined Benefit (DB) Pension Scheme.**



### **Discounted Salaries for Officers not Opting for Pension Reforms**

- 19.38 **For officers, if any, who wish not to opt for the pension reforms but instead opt for the pension arrangements in force prior to the coming into effect of this Report, the new salary structures recommended would be implemented at a discounted rate and officers would be eligible to 92% of the salary recommended.**

### **Other Provisions Governing Retirement and Retirement Benefits**

- 19.39 Having elaborated upon the fundamental details of the modified Defined Benefit (DB) Pension Scheme with regard to contributions, retirement age and accrual rate and the transitional measures for officers in post as at 30 June 2008, we define in the ensuing paragraphs the consequential amendments to the other provisions governing retirement and retirement benefits and deal with related peripheral issues.

### **Pensionable Emoluments (Reverted Officers)**

- 19.40 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 Commission and retires or is subsequently reverted to his substantive office, are computed on the prevailing pensionable emoluments of the office to which he was appointed to act or assigned duties, subject to certain conditions.
- 19.41 At present, for a public officer to be eligible to such retirement benefits, he should have performed the duties of the office for a continuous period of at least two years, his reversion to the substantive office has not been the result of inefficiency or misconduct and at the time of his retirement or reversion he has reached the age of 50.
- 19.42 In the context of this review exercise, it has been reported that in several instances officers are being called upon regularly to serve in a higher office in an acting capacity for unduly long periods, which are repeatedly of more than one year but always less than two years, thus depriving the officers of pension benefits associated with the higher office.
- 19.43 We are making appropriate recommendation to address the issue.

### **Recommendation 3**

- 19.44 **We recommend that the 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 Commission or through delegation of power conferred by the Public Service Commission and retires or is subsequently reverted to his substantive office, should be computed on**

**the prevailing pensionable emoluments of the office to which he was appointed to act or assigned duties provided that:**

- (a) he has been performing the duties of the office for a continuous period of at least two years or an aggregate period of at least two years within a period of three years;**
- (b) his reversion to his substantive office was not the result of inefficiency or misconduct; and**
- (c) at the time of retirement or reversion he had reached the age of 55 (or for an officer in post as at 30 June 2008 he had reached the age at which an officer may retire with the approval of the relevant Service Commission as specified at Table III).**

**19.45 We further recommend that 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 Commission or through delegation of power conferred by the Public Service Commission and is drawing part of the acting allowance and retires or is subsequently reverted to his substantive office, should be computed on the basis of the aggregate earnings (i.e. the salary of the substantive post plus any acting allowance drawn) provided the conditions set out at paragraph 19.44 above are satisfied.**

**Pensionable Emoluments (Reverted Officers in position of Accounting Head/Chief Executive)**

**19.46** The retirement benefits of a public officer, who has been appointed to act in or has been assigned the duties of 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 a higher office than that of an Accounting Head/Chief Executive but in the same cadre by the appropriate Service Commission and retires or is subsequently reverted to his substantive office, are computed on the prevailing pensionable emoluments of the office to which he was appointed to act or the duties which had been assigned to him, subject to certain conditions.

**19.47** At present, for a public officer to be eligible to such retirement benefits, he should have performed the duties of such office for a continuous period of not less than six months, and 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.

**19.48** Our attention has been drawn to the fact that while, in this particular case, the qualifying duration of the actingship or assignment is only a continuous period of not less than six months, in the case of a public officer on

permanent establishment who has been assigned the duties of a Permanent Secretary or Senior Chief Executive, the qualifying period to be eligible to retirement benefits attached to the higher office is two years.

19.49 We are harmonising the qualifying period in both cases to twelve months.

#### **Recommendation 4**

**19.50 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 75000 a month or**

**(b) a higher office than the one at (a) above in the same cadre**

**by the appropriate Service Commission and retires or is subsequently reverted to his substantive office should be computed on the prevailing pensionable emoluments of the office to which he was appointed to act or the duties which had been assigned to him, provided that:**

**Either**

**(i) he performed the duties of such office for a continuous period of not less than twelve months; and**

**(ii) his reversion to his substantive office was not the result of inefficiency or misconduct and at the time of retirement or reversion he had reached the age of 55 (or for an officer in post as at 30 June 2008 he had reached the age at which an officer may retire with the approval of the relevant Service Commission as specified at Table III).**

**Or**

**he has successfully served for a minimum period of six months and has reached compulsory retirement age.**

**19.51 We further 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 75000 a month or**

**(b) a higher office than the one at (a) above in the same cadre**

**by the appropriate Service Commission and is drawing part of the acting allowance and retires or is subsequently reverted to his substantive office should be computed on the basis of the aggregate earnings (i.e the salary of the substantive post plus any acting allowance drawn) provided the conditions set out at paragraph 19.50 above are satisfied.**

### **Mobility of Manpower**

- 19.52 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.
- 19.53 The payment of the benefits accruing to the officers is deferred till the time the officers attain the age of 50.
- 19.54 Under the delegated authority of the High Powered Committee, the Supervising Officer of the Ministry of Civil Service and Administrative Reforms (MCSAR) chairs meetings to look into applications of officers for retirement on reaching the age of 45 years. The criteria used are that officers having completed a minimum of 10 years of pensionable service and having attained the age of 45 may be allowed to retire subject to the approval of the respective Service Commissions provided that these officers join the local private sector or become self-employed and their replacement can easily be made, that is, there is no dearth of qualified personnel in the field in which they are/were employed.

### **Recommendation 5**

- 19.55 **We recommend that, to allow mobility between the public sector and private sector, an officer reckoning a minimum of 10 years of pensionable service and having reached the age of 45 should be allowed to retire with the approval of the respective Service Commissions without foregoing his earned pension benefits. The payment of the benefits accruing to the officer should be deferred till the time the officer attains the age of 55. However, for officers in post as at 30 June 2008, the payment of the benefits accruing to the officer should be deferred till the time the officer attains the age at which he may retire with the approval of the relevant Service Commission as specified at Table III.**
- 19.56 **The MCSAR should continue to look into applications for retirement of officers having reached the age of 45 and completed a minimum of 10 years of pensionable service provided that these officers join the local private sector or become self-employed and their replacement can easily be made, that is, there is no dearth of qualified personnel in the field in which they are employed.**

### **Retirement Benefits – Overmanning**

- 19.57 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 6**

- 19.58** The retirement benefits of an officer who is allowed to retire at the age of 45 and above on the ground of overmanning should continue to be computed as if his office had been abolished and should be payable immediately.

### **Approved Leave and Pension**

- 19.59 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.
- 19.60 In this Report, we are reviewing this rate of contribution in the light of the provisions of the modified Defined Benefit (DB) Pension Scheme.

### **Recommendation 7**

- 19.61** We recommend that officers who have been granted leave without pay after 1993 and up to 30 June 2008 should continue to be given the option to contribute 25% of their salary to Government in order to have such period of leave reckoned for pension purposes. Thereafter, with effect from 1 July 2008, the rate of contribution would be 18%.

### **Traineeship, Studentship, Cadetship or Apprenticeship**

- 19.62 At present, half of the period of any service in the public service under any traineeship, studentship, cadetship or apprenticeship scheme, when immediately followed by appointment in the related grade in the public service, is reckoned for pension purposes.

### **Recommendation 8**

- 19.63** Half of the period of any service in the public service under any traineeship, studentship, cadetship or apprenticeship scheme, when immediately followed by appointment in the related grade in the public service, should continue to be reckoned for pension purposes.

### **Temporary Appointment and Pension**

- 19.64 In the 2003 PRB Report, it was recommended 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 the officer 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.

19.65 In pursuance of the above, the Pensions Regulations 1951 had been amended to reflect the recommendation of the PRB. Regulation 19(1) (e) of the Pensions Regulations now provides that the retiring benefits of an officer holding a substantive post and appointed or promoted to a higher office in a temporary capacity but who is still performing in a temporary capacity on attaining the age of 60 be computed on the basis of the annual pensionable emoluments attached to the higher office, provided the higher office does not require an additional qualification for appointment thereto in a substantive capacity.

#### **Recommendation 9**

**19.66 The retiring benefits of an officer holding a substantive post and appointed or promoted to a higher office in a temporary capacity but who is still performing in a temporary capacity on attaining the compulsory retiring age i.e. 65 years in accordance with the provisions of the new Scheme or the date on which an officer in post as at 30 June 2008 would be required to retire compulsorily as per the transitional arrangements should continue to be computed on the basis of the annual pensionable emoluments attached to the higher office, provided the higher office does not require an additional qualification for appointment thereto in a substantive capacity.**

19.67 In the context of this Report, representations have been made for Regulation 19 (1) (e) of the Pensions Regulations to be amended such that its provisions could be extended to apply to officers appointed to higher posts in a temporary capacity but who have passed away before being appointed in a substantive capacity.

#### **Recommendation 10**

**19.68 We recommend that the retiring benefits of an officer holding a substantive post and appointed or promoted to a higher office in a temporary capacity but who passes away should be computed on the basis of the annual pensionable emoluments attached to the higher office, provided the higher office does not require an additional qualification for appointment thereto in a substantive capacity.**

#### **Compassionate Allowance**

19.69 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 11**

**19.70 For officers not on permanent and pensionable establishment, the monthly compassionate allowance payable on retirement should continue to be computed as follows:**

$$\frac{\text{No of months of service}}{720} \times \frac{\text{Annual Wage}}{12}$$

### **Salary of an Officer upon Death**

19.71 At present, a full month salary is paid to the heirs of an officer on his demise, irrespective of the number of days he has been in service during that month.

### **Recommendation 12**

**19.72 A full month salary should continue to 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.**

### **Gratuity for eligible officers retiring with less than 10 years' pensionable service**

19.73 An eligible officer retiring with less than 10 years' pensionable service benefits from a gratuity equivalent to 15% of his last monthly salary multiplied by the number of months of pensionable service, subject to a maximum of one year's pensionable emoluments.

19.74 In this Report, we are reviewing the computation of the gratuity in the light of the provisions of the modified Defined Benefit (DB) Pension Scheme.

### **Recommendation 13**

**19.75 We recommend that an eligible officer retiring with less than 10 years' pensionable service should benefit from a gratuity equivalent to 18% of his last monthly salary multiplied by the number of months of pensionable service, subject to a maximum of one year's pensionable emoluments.**

### **Pensionable Value of Rent Allowance**

19.76 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 5000 per annum.

### **Recommendation 14**

**19.77 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 5500 per annum.**

### **Pensionable Value of Car Benefit**

- 19.78 The monetary value of the private use of a chauffeur-driven official car and 75% of that monetary value are reckoned for the computation of the retirement benefits of beneficiaries of chauffeur-driven government car (including officers of the same status eligible for an official car and driver's allowance) and self-driven government car respectively.

### **Recommendation 15**

- 19.79 The monetary value of the private use of a chauffeur-driven official car and 75% of that monetary value should continue to be reckoned for the computation of the retirement benefits of beneficiaries of chauffeur-driven government car (including officers of the same status eligible for an official car and driver's allowance) and self-driven government car respectively.**

### **National Savings Fund**

- 19.80 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.
- 19.81 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.
- 19.82 On retirement, the employee receives a lump sum constituting the contributions on his behalf together with any accrued interest.

### **Recommendation 16**

- 19.83 We recommend that payment of a lump sum to an employee should be effected on the normal retirement age or on retirement earlier or on his death.**

### **Portable Pension Fund**

#### **Transfer of Accrued Pension Rights**

- 19.84 There are provisions for civil servants to move to Parastatal and Other Statutory Bodies or Local Authorities and vice-versa.
- 19.85 Section 6A of the Pensions Act (1952) provides that where an officer is transferred to an approved service, no pension, gratuity or other allowance is granted to him except on his retirement from the approved service.



- 19.86 Section 14 of the Statutory Bodies Pension Fund (Amendment) Act 2000 provides that where an officer in the Public Service or in the service of a Statutory Body or in the service of a Local Authority is transferred to another approved service, i.e Civil Service, Statutory Body, Local Authority, his accrued pension benefits for his past service payable to him on final retirement are transferred to the Fund of his new employer for payment to the officer on his final retirement.
- 19.87 Similar provisions exist in the Local Authorities (Pensions) Act for an officer of a local authority who is transferred to another approved service.

*Portable Fund*

- 19.88 The Finance and Audit (Portable Pension Fund) Regulations 1999 provide for the establishment of a Fund known as the Portable Fund.
- 19.89 The object of the Fund is to ensure that the portable benefits of a qualified officer (i.e an officer who, after having completed at least five years' service, leaves the Public Service to take up employment in the Private Sector or to become self-employed) 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.
- 19.90 The portable benefits of the officer are 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.
- 19.91 Similarly, Section 14(5)(a) of the Statutory Bodies Pension Fund (Amendment) Act of 2000 provides that where an officer leaves the service of a Statutory Body to take up employment in the Private Sector or to become self-employed, his portable benefits are, provided the officer has completed at least five years' service, 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 leaving the Statutory Body.
- 19.92 Under Section 14 (5) (b), the portable benefits of the officer are computed in such manner as are prescribed in respect of officers having completed less than 10 years' pensionable service.

*Key Findings and Conclusions*

- 19.93 The operation of the Portable Pension Fund would have to be reviewed to reflect the philosophy of the Budget Speech 2006/2007 on labour market reforms in order to achieve the desired flexibility in the labour market.

- 19.94 It has been represented that the requirement regarding the completion of at least five years' service by public officers to become qualified for portable benefits is unjustifiably too long. We are also of the same view and are reviewing the duration of service required to become eligible for portable benefits.
- 19.95 It has also been reported that the computation of portable benefits in the Civil Service differs from that of Statutory Bodies. While, in the civil service, the portable benefits of an officer are 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, in the Parastatal Bodies, the portable benefits are computed on the same basis as for officers having completed less than 10 years' service i.e. 15% of last monthly salary multiplied by the number of months of pensionable service, subject to a maximum of one year's pensionable emoluments.
- 19.96 No provision exists in the Local Authorities (Pensions) Act regarding the portable benefits of Local Government employees who leave the service to take up employment in the Private Sector or become self-employed.
- 19.97 In this Report, we are, therefore, making appropriate recommendations to address the foregoing key issues by the review of the requirement of at least five years' service to become qualified for portable benefits in order to render the scheme more flexible, the harmonization of the computation of the portable benefits across the public sector, and the introduction of a portable fund in the Local Authorities.

#### **Recommendation 17**

- 19.98 We recommend that the requirement of at least five years' service to become qualified for portable benefits, as set out in the Finance and Audit (Portable Pension Fund) Regulations 1999 and the Statutory Bodies Pension Fund (Amendment) Act of 2000, be reduced to at least one year's pensionable service.**

#### **Recommendation 18**

- 19.99 We recommend that Section 14 (5) (b) of the Statutory Bodies Pension Fund (Amendment) Act 2000 be amended such that the portable benefits of an officer be computed as if, at the time of his leaving a statutory body, he had become eligible for a gratuity under the Act, corresponding to his length of service.**

## Recommendation 19

**19.100 We recommend that the Ministry of Local Government initiates appropriate action to amend the Local Authorities (Pensions) Act to enable an officer of a Local Authority having completed at least one year's pensionable service to leave the service of a Local Authority to take up employment in the Private Sector or to become self-employed and for the portable benefits to be transferred to the appropriate superannuation fund or personal pension scheme.**

### Mutually Agreeable Retirement Scheme

19.101 In the 2003 PRB Report, it was recommended that consideration be given to the introduction of a Mutually Agreeable Retirement Scheme to allow an officer, aged 50 or more, who would be 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 reorganisations under the Pensions Regulations 1951 whereby an officer could 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 shall not exceed ten-sixtieths; and
- (b) the addition together with the remainder of the officer's pension shall 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.

19.102 In pursuance of the above, the Pensions Act had been amended to reflect the recommendation of the PRB. Section 6 of the Pensions Act (as amended) now provides that an officer who has attained the age of 50 may retire voluntarily at the request of his responsible officer and with his consent.

19.103 However, in the process of advising on the correct interpretation of the Mutually Agreeable Retirement Scheme, it has come to light that the recommendation of the PRB was not faithfully reflected in the Pensions Act. It was inserted through inadvertence under Section 6 of the Pensions Act governing grant of pensions for, *inter alia*, abolition of office and re-organisation. With this amendment, the officer becomes eligible to a pension computed as if he had retired at the age of 55. In fact, the philosophy underlying the recommendation was to facilitate an officer aged 50 or more who is willing to retire and whom management would wish to part with to do so with enhanced retirement benefit computed as if he had continued to hold the office held by him at the date of his normal retirement.

- 19.104 Appropriate amendments would, therefore, have to be brought to the Pensions Act to reflect the provisions governing the Mutually Agreeable Retirement Scheme. With the provisions of the modified Defined Benefit (DB) Pension Scheme, we are also making appropriate adjustments in the mode of computation and the quantum of the additional pensions.

#### **Recommendation 20**

- 19.105 We again recommend that the 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 reorganisations whereby the officer may be granted an additional pension at the annual rate of one sixty ninth of his pensionable emoluments for each complete period of three years' pensionable service provided that:**

- (a) **the addition does not exceed twenty three- one hundred and thirty eighths; 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.**

#### **Continuation of Service beyond Compulsory Retiring Age**

- 19.106 In the 2003 PRB Report, it was recommended that consideration be given to allowing certain efficient and experienced officers, who are willing to work and whose services would be beneficial to the organisations, to work for a few more years beyond their compulsory retiring age.
- 19.107 In pursuance of the above, the Pensions Act had been amended to reflect the recommendation of the PRB. Section 8(3) of the Pensions Act (as amended) now provides that an officer who has attained the age of 60 may, with the approval of the relevant Service Commission, be allowed to remain in service beyond the age of 60, but not beyond the age of 65, where Government considers that the continuation of his service would be in the interest of the Public Service.
- 19.108 The policy of continued employment beyond compulsory retiring age is not meant for general application but only to officers of a certain level and in very specialised areas where skills are in short supply; and should be implemented in a manner that does not cause prejudice to officers in post.
- 19.109 This provision would continue to be relevant until the year 2018 when the compulsory retirement age of 65 is fully implemented.

## **Recommendation 21**

- 19.110** We recommend that, up to year 2018, an officer in post as at 30 June 2008 who has attained the compulsory retirement age as per the transitional provisions of the new Scheme may, with the approval of the relevant Service Commission, be allowed to remain in service beyond the age of 60, but not beyond the age of 65, where Government considers that the continuation of his service would be in the interest of the Public Service.
- 19.111** We maintain that the continued employment beyond compulsory retiring age is not meant for general application but only to officers of a certain level and in very specialised areas where skills and competencies are in short supply or not available; and should be implemented in a manner that does not cause prejudice to officers in post.
- 19.112** We further recommend that where it is considered that the continued employment of a public officer beyond compulsory retiring age, subject to the provisions of paragraph 19.109, would be in the interest of the service, the following procedures should be adhered to:
- (i)** the Responsible Officer should submit his recommendation to the Prime Minister's Office for consideration by the High Powered Committee;
  - (ii)** the recommendation of the High Powered Committee would be submitted to the Prime Minister for his consideration and approval; and
  - (iii)** if the recommendation is approved, the Responsible Officer should then seek the approval of the relevant Service Commission and take such other action as may be recommended by the High Powered Committee.

## **Enhanced Pension Benefit for a Tour of Duty in Agalega or St. Brandon**

- 19.113** As Management of Public Sector organisations were facing serious difficulties to enlist Mauritian officers to be posted outside the main land, it was recommended in the 2003 PRB Report, as an additional inducement measure, that the tour of service of public officers domiciled in the island of Mauritius who were required to serve in Agalega or St. Brandon should be reckoned for pension purposes at one time and a half.

19.114 In pursuance of the above, the Pensions Regulations 1951 had been amended to reflect the recommendation of the PRB. Regulation 14 (4) of the Pensions Regulations now provides that any period during which an officer domiciled in the island of Mauritius is required to serve as a public officer in Agalega or St. Brandon is reckoned as pensionable service at the rate of one time and a half.

19.115 In the context of this review, it has again been reported that, inspite of the enhanced pension benefits, a few Public Sector organisations are still facing difficulties to enlist the services of Mauritian officers for posting in Agalega or St. Brandon. To address the problem, we are making appropriate recommendation to further enhance the pension benefits of officers domiciled in the island of Mauritius who are required to serve on a tour of service in Agalega or St. Brandon.

#### **Recommendation 22**

**19.116 We recommend that any period during which an officer domiciled in the Island of Mauritius is required to serve as a public officer in Agalega or St. Brandon should be reckoned as pensionable service at the rate of two times.**

#### **New Retirement Date**

**19.117 We have, under the second column “New Retirement Date” of the annexed tables at the end of this chapter, mentioned the month during which employees opting for the new pension scheme would retire if they choose to work up to their retirement date. Evidently, for each employee his date of birth during the month should apply.**

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

Table I

**Phasing of Retirement Age from  
60 to 65 years over the Period 2008 to 2018**

<b>Month and Year of Birth</b>	<b>New Retirement Date</b>
July 1948	July 2008
August 1948	September 2008
September 1948	November 2008
October 1948	January 2009
November 1948	March 2009
December 1948	May 2009
January 1949	July 2009
February 1949	September 2009
March 1949	November 2009
April 1949	January 2010
May 1949	March 2010
June 1949	May 2010
July 1949	July 2010
August 1949	September 2010
September 1949	November 2010
October 1949	January 2011
November 1949	March 2011
December 1949	May 2011
January 1950	July 2011

<b>Month and Year of Birth</b>	<b>New Retirement Date</b>
February 1950	September 2011
March 1950	November 2011
April 1950	January 2012
May 1950	March 2012
June 1950	May 2012
July 1950	July 2012
August 1950	September 2012
September 1950	November 2012
October 1950	January 2013
November 1950	March 2013
December 1950	May 2013
January 1951	July 2013
February 1951	September 2013
March 1951	November 2013
April 1951	January 2014
May 1951	March 2014
June 1951	May 2014
July 1951	July 2014
August 1951	September 2014
September 1951	November 2014
October 1951	January 2015
November 1951	March 2015
December 1951	May 2015



<b>Month and Year of Birth</b>	<b>New Retirement Date</b>
January 1952	July 2015
February 1952	September 2015
March 1952	November 2015
April 1952	January 2016
May 1952	March 2016
June 1952	May 2016
July 1952	July 2016
August 1952	September 2016
September 1952	November 2016
October 1952	January 2017
November 1952	March 2017
December 1952	May 2017
January 1953	July 2017
February 1953	September 2017
March 1953	November 2017
April 1953	January 2018
May 1953	March 2018
June 1953	May 2018
July 1953	July 2018
August 1953 and thereafter	65 <sup>th</sup> birthday (1 August 2018 or later)

**Table II**

**Phasing of Optional Retirement Age from 55 to 60 years  
over the Period 2008 to 2018**

<b>Month and Year of Birth</b>	<b>New Retirement Date</b>
July 1953	July 2008
August 1953	September 2008
September 1953	November 2008
October 1953	January 2009
November 1953	March 2009
December 1953	May 2009
January 1954	July 2009
February 1954	September 2009
March 1954	November 2009
April 1954	January 2010
May 1954	March 2010
June 1954	May 2010
July 1954	July 2010
August 1954	September 2010
September 1954	November 2010
October 1954	January 2011
November 1954	March 2011
December 1954	May 2011
January 1955	July 2011

<b>Month and Year of Birth</b>	<b>New Retirement Date</b>
February 1955	September 2011
March 1955	November 2011
April 1955	January 2012
May 1955	March 2012
June 1955	May 2012
July 1955	July 2012
August 1955	September 2012
September 1955	November 2012
October 1955	January 2013
November 1955	March 2013
December 1955	May 2013
January 1956	July 2013
February 1956	September 2013
March 1956	November 2013
April 1956	January 2014
May 1956	March 2014
June 1956	May 2014
July 1956	July 2014
August 1956	September 2014
September 1956	November 2014
October 1956	January 2015
November 1956	March 2015
December 1956	May 2015

<b>Month and Year of Birth</b>	<b>New Retirement Date</b>
January 1957	July 2015
February 1957	September 2015
March 1957	November 2015
April 1957	January 2016
May 1957	March 2016
June 1957	May 2016
July 1957	July 2016
August 1957	September 2016
September 1957	November 2016
October 1957	January 2017
November 1957	March 2017
December 1957	May 2017
January 1958	July 2017
February 1958	September 2017
March 1958	November 2017
April 1958	January 2018
May 1958	March 2018
June 1958	May 2018
July 1958	July 2018
August 1958 and thereafter	60 <sup>th</sup> birthday (1 August 2018 or later)

Table III

**Phasing of Retirement Age  
(with the Approval of the Relevant Service Commission)  
from 50 to 55 years over the Period 2008 to 2018**

<b>Month and Year of Birth</b>	<b>New Retirement Date</b>
July 1958	July 2008
August 1958	September 2008
September 1958	November 2008
October 1958	January 2009
November 1958	March 2009
December 1958	May 2009
January 1959	July 2009
February 1959	September 2009
March 1959	November 2009
April 1959	January 2010
May 1959	March 2010
June 1959	May 2010
July 1959	July 2010
August 1959	September 2010
September 1959	November 2010
October 1959	January 2011
November 1959	March 2011
December 1959	May 2011
January 1960	July 2011

<b>Month and Year of Birth</b>	<b>New Retirement Date</b>
February 1960	September 2011
March 1960	November 2011
April 1960	January 2012
May 1960	March 2012
June 1960	May 2012
July 1960	July 2012
August 1960	September 2012
September 1960	November 2012
October 1960	January 2013
November 1960	March 2013
December 1960	May 2013
January 1961	July 2013
February 1961	September 2013
March 1961	November 2013
April 1961	January 2014
May 1961	March 2014
June 1961	May 2014
July 1961	July 2014
August 1961	September 2014
September 1961	November 2014
October 1961	January 2015
November 1961	March 2015
December 1961	May 2015

<b>Month and Year of Birth</b>	<b>New Retirement Date</b>
January 1962	July 2015
February 1962	September 2015
March 1962	November 2015
April 1962	January 2016
May 1962	March 2016
June 1962	May 2016
July 1962	July 2016
August 1962	September 2016
September 1962	November 2016
October 1962	January 2017
November 1962	March 2017
December 1962	May 2017
January 1963	July 2017
February 1963	September 2017
March 1963	November 2017
April 19563	January 2018
May 1963	March 2018
June 1963	May 2018
July 1963	July 2018
August 1963 and thereafter	55 <sup>th</sup> birthday (1 August 2018 or later)

Table IV

**Phasing of Retirement Age of Judges from 62 to 67 years  
over the Period 2008 to 2018**

Month and Year of Birth	New Retirement Date
July 1946	July 2008
August 1946	September 2008
September 1946	November 2008
October 1946	January 2009
November 1946	March 2009
December 1946	May 2009
January 1947	July 2009
February 1947	September 2009
March 1947	November 2009
April 1947	January 2010
May 1947	March 2010
June 1947	May 2010
July 1947	July 2010
August 1947	September 2010
September 1947	November 2010
October 1947	January 2011
November 1947	March 2011
December 1947	May 2011
January 1948	July 2011
February 1948	September 2011



<b>Month and Year of Birth</b>	<b>New Retirement Date</b>
March 1948	November 2011
April 1948	January 2012
May 1948	March 2012
June 1948	May 2012
July 1948	July 2012
August 1948	September 2012
September 1948	November 2012
October 1948	January 2013
November 1948	March 2013
December 1948	May 2013
January 1949	July 2013
February 1949	September 2013
March 1949	November 2013
April 1949	January 2014
May 1949	March 2014
June 1949	May 2014
July 1949	July 2014
August 1949	September 2014
September 1949	November 2014
October 1949	January 2015
November 1949	March 2015
December 1949	May 2015
January 1950	July 2015

<b>Month and Year of Birth</b>	<b>New Retirement Date</b>
February 1950	September 2015
March 1950	November 2015
April 1950	January 2016
May 1950	March 2016
June 1950	May 2016
July 1950	July 2016
August 1950	August 2016
September 1950	November 2016
October 1950	January 2017
November 1950	March 2017
December 1950	May 2017
January 1951	July 2017
February 1951	September 2017
March 1951	November 2017
April 1951	January 2018
May 1951	March 2018
June 1951	May 2018
July 1951	July 2018
August 1951 and thereafter	67 <sup>th</sup> birthday (1 August 2018 or later)

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## 20. PUBLIC SERVICE PENSION

- 20.1 Prior to 1987, the pensions of retired public officers were not adjusted in the wake of a salary review. The pensioners were, however, compensated periodically for an increase in the cost of living. However, the Salaries Commissioner, Mr D. Chesworth in his Report of 1988 recommended that, the pensions of retired officers have to be recomputed on the basis of the revised pensionable emoluments of the relevant grades as from the date of implementation of the new salaries. Since then, after each general salary review the same policy was adopted.
- 20.2 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.
- 20.3 In the context of this review, we have examined the whole issue of public service pension anew. Generally the study has revealed that there is no significant variations when pensions are indexed either on variations in current salaries or when adjusted to variations in the cost of living index. Consequently, we hold the view that the civil service pensions should continue to be indexed on wages and salaries instead of prices.

### Recommendation 1

- 20.4 We recommend that, as in the past, pensions of retired public officers should continue to be recomputed on the basis of the revised pensionable emoluments as from 1 July 2008. We also recommend that the exercise be done anew next year on the basis of the revised pensionable emoluments as from 1 July 2009.**
- 20.5 Where the pension of a pensioner, recomputed on the basis of the revised salary, works out to less than the pension in payment at 30 June 2008 together with the cost of living allowance payable as from 1 July 2008, the pensioner should be allowed to continue to draw the pension he is drawing together with the cost of living allowance.**
- 20.6 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. It should be noted that the nearest equivalent grade should not necessarily be a grade in the same organisation.**
- 20.7 The above recommendations should also apply to pensioners of Parastatal and other Statutory Bodies and Local Authorities.**

**Recommendation 2**

**20.8 The retirement benefits of officers who shall retire during the period 1 July 2008 to 30 June 2009 should, except for the commuted lump sum, be computed on the basis of the converted salaries effective from 1 July 2008. Exceptionally the commuted lump sum of the concerned officers shall be computed on the converted salaries of 1 July 2009.**

**Representations from Pensioners**

20.9 We have also received representations from pensioners. They drew attention to the fact that, after each salary review since 1998, the top salaries of their respective grades have been raised. However, with the conversion system adopted, those who were drawing the top salary of their scale prior to their retirement were not granted the top of the recommended scale.

20.10 The foregoing representations can be explained by the fact that, in both the 1998 and 2003 reviews the Bureau adopted, as a matter of policy, elongated salary scales. As a result, top to top conversion did not apply.

20.11 On the basis of the argument put forward by the pensioners, there may be case for some compensatory adjustment. One way of addressing the issue would be to grant one or two increments on conversion to the recommended scales of their respective grades which would mean an increase of around 3% to 6%.

20.12 However, it must be highlighted that in this review, we have recommended salaries including an additional 6% increase in respect of the contributory pension scheme, which would be deducted from the salaries of serving employees. Evidently, in the case of pensioners no such deduction would be effected.

20.13 In the light of the above, we are making the following recommendation.

**Recommendation 3**

**20.14 We recommend that the pensions of retired employees should be computed on the basis of the recommended salaries (inclusive of the 6% increase) for their respective grades.**

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## 21. STATUTORY BOARDS AND COMMITTEES

21.1 This part deals with the remuneration of part-time chairpersons, members and secretaries of statutory boards and committees as well as for those appointed to serve on *ad hoc* Committees or Fact-Finding Committees, Courts of Investigation and Technical and other committees.

### Corporate Governance and Duty of the Board

21.2 The Board of an organisation is primarily responsible for policy formulation and strategy while the day-to-day management rests with the chief executive or the executive chairman. The Board of Directors directs and controls the corporation in a sound and profitable manner in line with corporate governance principles and practices. Good corporate governance involves proper stewardship, a responsibility placed explicitly on all those responsible for the goods and funds of others. 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 constituting the board is given responsibility. As a result, good corporate governance is increasingly seen as the hallmark of successful organisations.

21.3 Moreover, the responsibilities of directors encompass the following:

- Acquire basic knowledge and understanding of the business/activities of the organisation and its economic driving force
- Ensure proper compliance with the statutory requirements of the organisation
- Monitor the activities of executive management, their integrity and competency
- Ensure the adequacy and effectiveness of financial and operational controls to safeguard the assets of the organisation and approve the financial reporting requirements

### Use of Non-Executive Directors

21.4 As expatiated upon in our previous reports, it was common practice in the past for eminent personalities and other professionals of the country to serve on boards and committees on a voluntary basis, as is generally the practice abroad. However, in the course of time, remuneration in the form of fees was introduced for these volunteers to meet certain expenses in relation to their attendance at boards and committees. The quantum of the fees was not meant, and is still not meant, for a full compensation for the services rendered but a symbolic reward. It is worth noting that even today there are still persons who continue to offer their services on a voluntary basis in a spirit of patriotism.

### **Remuneration of Non-Executive Directors**

- 21.5 The fundamental considerations in the determination of the pecuniary reward for non-executive directors include provision of reasonable compensation for their time, commitment and contribution at board meetings while ensuring that such reward is not seen as compromising on their independence in judgement and action.
- 21.6 Reasonable compensation 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 forms part of 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 chairpersons 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.
- 21.7 Maintaining objectivity and independence are critical to the effectiveness of non-executive directors. It is generally argued that if Directors become too dependent on their remuneration from an organisation on whose board they serve, they might not perform the independent role required of them by the relevant stakeholders. For this reason, the provision of other perquisites, over the fees payable, are generally to be avoided.

### **Remuneration of Part-time Chairman**

- 21.8 In the 2003 PRB Report, we recommended, in line with current international practice, a new formula for the remuneration of part-time chairman, linked with the salary of the Chief Executive, established through job evaluation.
- 21.9 On the basis of the new formula, the monthly fee payable to part-time chairpersons of statutory boards previously categorised in A, B and C are at the rate of 30% of the monthly basic salaries of their respective Chief Executives, subject to a maximum of Rs 15000. Whereas for those in category D, the fees payable to the part-time chairpersons are at the rate of Rs 1125 per sitting, subject to a maximum of Rs 4500 a month. In respect of statutory board with no Chief Executive, the monthly fee payable to the part-time chairperson, is established/reviewed by the Standing Committee on Boards and Committees.

The formula used in determining the fees payable to a part-time chairperson is fair, reasonable and still valid. Considering the responsibilities of the part-time chairperson, which are full-time in nature, as well as the pay increase granted in this Report, we are maintaining the rate at 30% of the pay of the Chief Executive.

### **Recommendation 1**

#### **21.10 We recommend that:**

- (a) the monthly fees of part-time chairpersons of Statutory Boards and Committees, which are currently linked to the salaries of their Chief Executives, should continue to be at the rate of 30% of the monthly basic salaries of their respective full-time Chief Executives, subject to a maximum of Rs 21000;**
- (b) in respect of an organisation with no Chief Executive, the monthly fees of part-time chairpersons should be reviewed by the Standing Committee mentioned at paragraph 21.33, taking into consideration the following:**
  - (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 chairperson; and**
  - (iv) the frequency of meetings.**
- (c) the fees payable to part-time chairpersons of Statutory Boards and Committees for which remuneration is on a sessional basis should be at the revised rate of Rs 1400 per sitting, subject to a maximum of Rs 5600 a month.**

#### **Actingship as Chairperson**

21.11 Normally in the absence of a chairperson, the vice-chairperson or any other member chairs the board meetings, unless the law provides otherwise.

21.12 A vice-chairperson or any other member who presides over all board meetings held in a month in the absence of the substantive chairperson (while the latter is in the country) is paid an allowance equivalent to 40% of the monthly fees payable to the substantive chairperson. The said amount is 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 amount is shared on a pro-rata basis.

21.13 However, when the substantive chairperson is absent from the country, the vice-chairperson or any other member who chairs the board meetings is entitled to the full allowance payable to the chairperson. A substantive chairperson who absents himself during one calendar month is not eligible to any fees, except if he is on official mission for the Board.

## **Recommendation 2**

**21.14 We recommend that:**

- (i) **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) should continue to 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 amount should be shared on a pro-rata basis.**
- (ii) **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.**

## **Double Payment**

21.15 It has been reported that there have been cases of abuse on the part of certain acting chairpersons who, while being entitled to the full allowance payable to the substantive chairperson when the latter is absent from the country, also claim payment for attendance as members during the same month as the current system allows them to do so. We are making appropriate recommendations, in this Report, to contain this type of abuse.

## **Recommendation 3**

**21.16 We recommend that a vice chairperson or any other member, who chairs Board meetings when the substantive chairperson is absent from the country and is paid the full allowance payable to the substantive chairperson, should not be eligible to payment for attendance as member during the same month.**



### **Resignation of Chairperson**

- 21.17 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 by any other member designated by the Board. The latter is entitled to the full allowance prescribed.
- 21.18 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**

- 21.19 We recommend that, in case of resignation of a chairperson and pending the appointment of a new chairperson, the chairmanship should continue to be carried out by the vice-chairperson, if any, or by any other member designated by the board and the latter should be entitled to the full allowance prescribed.**
- 21.20 We also recommend that, in case the chairmanship is carried out on a rotational basis with the agreement of the board members, the full monthly allowance normally payable to the chairperson should continue to be proportionately apportioned among the acting chairpersons.**

### **Members of Boards**

- 21.21 Members of statutory boards and committees including civil servants are being paid Rs 500 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 180 per sitting up to a maximum of Rs 720 monthly for the additional responsibility. Similarly, a member who sits in subcommittees is paid a fee of Rs 480 per sitting.
- 21.22 International experience has shown that, in certain jurisdictions, government employees are not paid board/committee fee unless the meetings are held outside normal office hours and this, with the specific approval of the appropriate authority. 'Normal office hours' is interpreted to mean the usual hours during which the officer is required to attend his/her place of employment. In other jurisdictions, public servants sitting on boards of corporate entities receive the same level of remuneration as other directors because they accept the same level of responsibility and personal liability.
- 21.23 Recognising the accountability and responsibility factors, we, too, are of the view that public servants sitting on boards and committees should continue to be remunerated at the same level as the other directors. However, whenever practicable, meetings of statutory boards and committees should, as far as possible, be scheduled in such a manner so as not to impede the smooth running of organisations.

### Recommendation 5

- 21.24 We recommend that members of Statutory Boards and Committees be paid a fee of Rs 625 per sitting. A member other than the chairperson, who is called upon to chair subcommittees, should be paid an additional fee of Rs 215 per sitting, subject to a maximum of Rs 860 monthly.
- 21.25 A member who sits in subcommittees should be paid a fee of Rs 575 per sitting.
- 21.26 We also recommend that, whenever practicable, meetings of Statutory Boards and Committees should, as far as possible, be scheduled outside normal office hours.

### Secretary

- 21.27 Officers acting as secretary to statutory boards and committees are presently paid Rs 720 or Rs 360 per sitting based on the categorisation obtaining prior to the 2003 PRB Report. Officers, called upon to act as secretary to subcommittees, are equally remunerated on the same principle.

### Recommendation 6

- 21.28 We recommend that the fees presently payable to officers acting
- (a) as Secretary to Statutory Boards and Committees; and
  - (b) as Secretary to sub-committees
- should be increased by 20%.

### Travelling

- 21.29 Prior to the 1998 PRB Report, Non-Executive Board Directors travelling by car to attend board meetings were paid mileage at the approved rates. Those travelling by bus were refunded bus fares *in toto*. This system of refund of travelling expenses appeared to be administratively cumbersome as it involved, *inter alia*, a lot of paperwork and the exercise of control. This element had, therefore, since the 1998 PRB Report been included in the fees payable to the Non-Executive Board Directors of Statutory Boards and Committees.
- 21.30 In the context of this review, representations have been received from different quarters for the re-introduction of the refund of travelling expenses on top of the prescribed fees to Non-Executive Directors of Boards and Committees on account of the successive increases in the price of petrol and the cost of travelling, in general. We are, therefore, making appropriate recommendations to that end by way of the grant of commuted allowances to ensure that the new system does not give rise to unnecessary paperwork and the need for control.

### **Recommendation 7**

**21.31 We recommend that Chairmen and Members of the Statutory Boards and Committees travelling by car to and from the place of meeting should be paid a commuted travelling allowance of Rs 200 per sitting. Those travelling by bus should be paid a commuted travelling allowance of Rs 50 per sitting. These allowances should not be payable to non-executive directors who are beneficiaries of an official car or who do not have to travel exclusively to attend the meeting.**

### **Standing Committee**

21.32 With the new remuneration policy for chairpersons, members and secretaries of statutory boards and committees introduced in 2003 and maintained in this Report, the need for categorisation, therefore, does no longer arise. However, the Standing Committee needs to be maintained to deal with all new cases for the determination of the quantum of fees payable.

### **Recommendation 8**

**21.33 We recommend that the Standing Committee on Fees and Allowances under the chairmanship of the Ministry of Civil Service and Administrative Reforms and comprising the Financial Secretary and the Director, Pay Research Bureau should be maintained to deal, *inter alia*, with all new cases for the determination of fees payable.**

### ***Ad hoc* Committees**

21.34 The Standing Committee referred to at paragraph 21.33 also deals 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 and other committees. In order to ensure uniformity in such cases, the Standing Committee adheres to certain approved criteria as guidelines.

### **Recommendation 9**

**21.35 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 in line with approved criteria, as guidelines.**

### **Strategy Retreats**

21.36 In the 2003 PRB Report, we laid stress on the need and made formal recommendation regarding the organisation of retreats/seminars for comprehensive discussions on corporate strategy at least once a year.

21.37 Retreats are becoming more and more vital for fostering communications, developing teamwork and team spirit, and also for experimenting new ideas, products, services and approaches. Another common retreat objective is to develop a consensus about a specific plan or activity or approval of a strategic plan or direction for the entity. In reality, many retreats represent a mixture of purposes, which may vary from year to year as the organisation evolves and new issues appear. Above all, the retreat provides the opportunity for participants to focus on critical issues.

21.38 The relevance of such retreats assumes greater pertinence and importance in the wake of the general introduction of the new Programme Based Budgeting coupled with the drive to establish and maintain a Performance Culture in public sector organisations. The benefit of such retreats, if appropriately scheduled, would be undeniable.

**Recommendation 10**

**21.39 We recommend that Boards of Parastatal and other Statutory Bodies should continue to schedule retreats for comprehensive discussions on corporate strategy and other important issues at least once a year or as appropriate.**

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## 22. RODRIGUES AND THE OUTER ISLANDS

22.1 This Chapter deals exclusively with the conditions of service specific to Rodrigues and the Outer Islands, which generally comprise Agalega and St. Brandon.

### Conditions of Service Specific to Rodrigues

22.2 The Rodrigues Regional Assembly, a body corporate established by Act No. 39 of 2001, is responsible, *inter alia*, for the administration of Government services in the Island of Rodrigues. It has on its establishment such staff as are necessary for the efficient discharge of its functions. These staff are under the administrative control of the Island Chief Executive, who is also responsible for the efficient administration of all the functions of the Executive Council of the Assembly.

### Tour of Service and Disturbance Allowance to Mauritian Officers

22.3 Today, the Rodrigues administration has access to a wider pool of local talent to service the different areas of responsibility and Rodriguans are gradually staffing the public service in Rodrigues. The Chief Commissioner's Office, the Deputy Chief Commissioner's Office and the five Commissions are now being manned almost exclusively by Rodriguans. Nevertheless, the services of mauritian public officers are still required to serve in a few positions requiring professional or technical skills. It is binding on all public officers domiciled in the island of Mauritius to serve on a tour of service in Rodrigues, as and when required, notwithstanding their terms of employment.

22.4 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 monthly 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 and Administrative Reforms (MCSAR), disturbance allowance for more than three tours may be paid.

22.5 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 hence, the need for such an allowance as an inducement.

22.6 In addition, Mauritian officers are also provided with quarters free of rent.

### **Recommendation 1**

- 22.7 We recommend that it should continue to be binding on all public officers domiciled in Mauritius to serve on a tour of service in the Outer Islands, as and when required, notwithstanding their terms of employment.**
- 22.8 We also recommend that Mauritian officers, posted to Rodrigues, on a tour of service should continue to benefit from rent free quarters.**
- 22.9 We further recommend that the duration of a tour of service in Rodrigues, which is of a minimum of 12 months, and the monthly payment of disturbance allowance at the rate of 25% of gross salary be maintained. Payment of disturbance allowance should, save in exceptional circumstances and subject to the approval of the MCSAR, be limited to three tours of service only.**

### **Inducement Allowance**

- 22.10 An inducement allowance of 50% of salary instead of the disturbance allowance is paid monthly to certain categories of professionals in scarce supply and posted on a tour of service in Rodrigues. This is a temporary measure designed to tackle the problem of scarcity in certain areas of the Public Service.

### **Recommendation 2**

- 22.11 We recommend that the inducement allowance of 50% of salary payable monthly to certain categories of professionals in scarce supply and posted on a tour of service in Rodrigues be maintained.**
- 22.12 At present, Specialist/Senior Specialists who are posted for short duration in Rodrigues are provided with board and lodging in hotels and they are not paid the inducement allowance. Representations have been received from the staff side for the payment of an inducement allowance even for short duration.
- 22.13 On the other hand, the Rodrigues Regional Assembly has reported that the current arrangement of providing Specialist/Senior Specialists who are posted for short duration in Rodrigues with board and lodging in hotels is becoming increasingly expensive and bears heavily on the budget of the Assembly.
- 22.14 We have studied the representations of both parties and are of the view that there is need to review the present system to address the issues raised.

### **Recommendation 3**

- 22.15 We recommend payment of the inducement allowance on a pro- rata basis to those Specialist/Senior Specialists posted for short duration in Rodrigues and who are accommodated in fully furnished rent-free quarters.**

**22.16 We, however, recommend that the inducement allowance should not be payable to officers who for one reason or another continue to be provided with board and lodging in hotels.**

***Ad hoc* Incentive Measures**

22.17 On 20 July 2001, Government 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. It was understood that these measures would apply for a period not exceeding three years in respect of the medical and dental staff and two years for the nursing staff. However, on 25 June 2004, Government decided that the measures in respect of medical and dental staff be extended up to 1 July 2007 and those for nursing staff up to 1 July 2005.

22.18 We have been given to understand that since July 2005 members of the nursing personnel are no longer posted on a tour of service in Rodrigues. The nursing services are being provided exclusively by Rodriguan Nursing Officers. As regards medical and dental staff, this privilege has now been extended up to 30 June 2008.

**Recommendation 4**

**22.19 We recommend that the *ad hoc* incentive measures taken by Government to induce medical and dental personnel to serve on a tour of service in Rodrigues be exceptionally maintained up to 30 June 2009.**

**Allowance to Rodriguan Officers Coming to Mauritius on Training**

22.20 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.

22.21 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 725 monthly. In view of the increase in rent and the difficulties faced by Rodriguan trainees to find decent accommodation, the quantum of rent assistance is being reviewed.

**Recommendation 5**

**22.22 We recommend that officers domiciled in Rodrigues and coming to Mauritius on training:**

- (a) should continue to be paid an allowance equivalent to 50% of salary for the duration of the course; and**
- (b) who cannot be provided with quarters should be paid an allowance of Rs 2000 monthly as an assistance towards payment of rent.**

### **Officers Performing Duties in a Higher Capacity**

22.23 Some officers when posted to Rodrigues are called upon to act in a higher capacity or are assigned higher duties and are paid acting/responsibility allowance as appropriate. The disturbance allowance/inducement allowance of these officers is computed on the basis of aggregate earnings (i.e. basic salary plus salary compensation at approved rates plus acting/responsibility allowance). We are maintaining this provision.

### **Recommendation 6**

**22.24 We recommend that the disturbance allowance/inducement allowance of officers who are called upon to act in a higher capacity or are assigned higher duties should continue to be computed on the basis of aggregate earnings (basic salary plus salary compensation at approved rates plus acting/responsibility allowance).**

### **Special Conditions**

22.25 An officer who is domiciled in Mauritius and is posted to Rodrigues for a minimum tour of service of 12 months is eligible for the following:

**(a) Passages**

- (i) one free passage, to and from Rodrigues, for himself, his spouse and up to three dependent children below the age of 21;
- (ii) one free return ticket from Rodrigues for medical treatment in Mauritius in respect of himself or any immediate member of his family, as at sub-paragraph (i) above, 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;
- (iii) two free return tickets from Rodrigues for medical treatment in Mauritius in respect of himself or any immediate member of his family, as at sub-paragraph (i) above, 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; and
- (iv) one additional free return ticket to Mauritius to single officers in case the tour of service is extended for another 12 months; or
- (v) two additional free tickets to Mauritius to married officers in case the tour of service is extended for another 12 months.

**Note:** The entitlement of free return tickets, under sub-paragraphs (iv) and (v) above, is limited to three tours of service only.



**(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 Rodrigues and Outer Islands, 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) Enhanced Vacation Leave as follows:**

- (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 sub-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 7**

**22.26 We recommend that the special conditions in connection with passages, transport and vacation leave to which an officer who is domiciled in Mauritius and is posted to Rodrigues is entitled to should be maintained.**

**22.27 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.**

**Conditions of Service Specific to the Outer Islands**

**Tour of Service and Disturbance Allowance to Mauritian Officers**

22.28 Outer islands, besides Rodrigues, generally comprise Agalega and St. Brandon. In comparison to Rodrigues, a tour of service in any 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.

22.29 Officers domiciled in Mauritius are also required to serve in the Outer Islands on a tour of service which varies from four to six months. While on a tour of service, these officers are paid a monthly disturbance allowance of 50% 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.

22.30 In the context of this review, it has been represented that a tour of service in Agalega and St. Brandon is relatively more difficult as the islands are completely isolated.

22.31 Given the particular situation in which the officers find themselves, we are making additional recommendations with regard to the disturbance allowance of officers domiciled in the island of Mauritius who are required to serve on a tour of service in Agalega and St. Brandon.

#### **Recommendation 8**

**22.32 We recommend that the monthly disturbance allowance payable to officers on a tour of service in Agalega and St. Brandon be 60% of gross salary (basic salary plus salary compensation at approved rates). These officers should continue to earn vacation leave at the rate of 50% more than what they are eligible for in respect of that period.**

**22.33 We also recommend that these officers, on their return to the main land at the end of their tour of service in Agalega and St. Brandon, should equally be given priority of consideration to enjoy their earned vacation leave.**

**22.34 We further recommend that it should continue to be binding on all public officers domiciled in Mauritius to serve on a tour of service in Agalega and St. Brandon, as and when required, notwithstanding their terms of employment.**

#### **Special Conditions**

22.35 An officer who is posted to the Outer Islands other than Rodrigues is also eligible for one free passage for himself, his spouse and up to three dependent children below the age of 21 and rent free government quarters.

#### **Recommendation 9**

**22.36 We recommend that the special conditions in connection with passages and government quarters to which an officer who is posted to the Outer Islands is entitled be maintained.**

#### **Enhanced Pension Benefit**

22.37 As mentioned earlier, 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, in the context of the 2003 PRB Report, it was reported that in many instances, management of public

sector organisations were facing serious difficulties to enlist Mauritian officers to be posted on certain islands outside the main land in spite of the various benefits already granted. It was, therefore, recommended, as an additional inducement measure, that the tour of service of public officers domiciled in the island of Mauritius and who are required to serve in Agalega or St. Brandon should be reckoned for pension purposes at one time and a half.

22.38 In pursuance of the above, the Pensions Regulations 1951 has been amended to reflect the recommendation of the PRB. Regulation 14 (4) of the Pensions Regulations now provides that any period during which an officer domiciled in the Island of Mauritius is required to serve as a public officer in Agalega or St. Brandon is reckoned as pensionable service at the rate of one time and a half.

22.39 In the context of this review, it has again been reported that, inspite of the enhanced pension benefits, a few public sector organisations are still facing difficulties to enlist the services of Mauritian officers for posting in Agalega or St. Brandon. To address the problem, we are making appropriate recommendation to further enhance the pension benefits of officers domiciled in the Island of Mauritius who are required to serve on a tour of service in Agalega or St. Brandon.

**Recommendation 10**

**22.40 We recommend that any period during which an officer domiciled in the Island of Mauritius is required to serve as a public officer in Agalega or St Brandon should be reckoned as pensionable service at the rate of two times.**

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## **23. IMPLEMENTATION PROCESS AND POST REVIEW MECHANISM**

- 23.1 This review has been carried out, considering, *inter alia*, the resources of Government and the demands placed thereon, particularly in the present economic context which continues to require fiscal discipline and close monitoring of public expenditure. We have, therefore, carefully examined the different scenarios for the implementation of our recommendations.
- 23.2 The salary and other related recommendations of this Report, if implemented at one go in respect of all organisations reported upon, would have cost the Exchequer an overall amount of 5.2 billion inclusive of pension contributions, annual increment and compensation for rise in cost of living up to 30 June 2008. On account of the size of the outlay, the Bureau has considered it wise to have the salary recommendations implemented in stages so that pay is kept within the limits of national affordability and the future economic and social progress of the nation is not jeopardised.
- 23.3 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 2008 to 30 June 2009 the salary increases would be effected at the discounted rate of 75% and thereafter with effect from 1 July 2009, payment would be effected in full. Our conversion table has, in principle, been worked out on this basis.**
- 23.4 In the process, to ensure a minimum acceptable increase at the lower levels, all increases up to Rs 1250 a month net of pension contribution have not been discounted but are being paid in full this year itself i.e. as from 1 July 2008. In addition a minimum increase of Rs 1000, net of pension contribution, is being guaranteed at the lowest level.

### **Conversion**

- 23.5 The converted salaries effective from 1 July 2008, should be in accordance with the salary conversion table at Annex I of each volume of this Report as explained at sub paragraphs (i) to (vi) below. To facilitate implementation, the conversion effective as from 1 July 2009 has also been included in the conversion table.
- (i) The first row of the conversion table indicates the position of the salary point in the master salary scale of the 2008 PRB Report at the foot of the table.
  - (ii) The second row indicates the basic salary effective as from 1 July 2003.

- (iii) The gross salaries as at 30 June 2008 inclusive of the extra remuneration, as specified in the 3rd row of the conversion table have been used for conversion.
  - (iv) The salaries at the 4<sup>th</sup> row are the discounted salaries payable as from 1 July 2008. These salaries are inclusive of the corresponding pension contribution payable as from July 2008 and specified at the 6<sup>th</sup> row.
  - (v) The salaries at the 5<sup>th</sup> row payable as from 1 July 2009 are inclusive of the employees' pension contributions of 6% of salary.
  - (vi) A full-time employee who, after payment of pension contribution and excluding normal increment, earns an increase of less than Rs 1000 should be paid a monthly allowance to bring the increase to Rs 1000. This allowance should lapse with the grant of the next increment on the 1 July 2009.
- 23.6
- (i) Conversion to the revised salaries should be effected after the grant of the annual increment due to officers on the 1 July 2008.
  - (ii) Trainees, Students, Cadet and Apprentices currently undergoing training under traineeship, studentship, cadetship or apprenticeship schemes would be eligible to the conversion point representing one point less than that provided in the conversion table as they would have to contribute only 3% of their emoluments towards the Contributory Pension Scheme.
  - (iii) An officer/employee whose salary point converts to a point in the master conversion table which is less than the initial of the recommended salary for his grade should draw the converted salary corresponding to the recommended initial salary of his grade.
  - (iv) Where more than two salary points convert to the initial of a recommended salary scale, the conversion should be made in such a manner that only two salary points convert to one point in the recommended scale i.e. the 1<sup>st</sup> and 2<sup>nd</sup> salary points shall convert to the 1<sup>st</sup> point, the 3<sup>rd</sup> and the 4<sup>th</sup> to the 2<sup>nd</sup> point and the 5<sup>th</sup> and the 6<sup>th</sup> to the 3<sup>rd</sup> point and so on and so forth.
  - (v) Officers, who as at 30 June 2008, were already drawing more than the top of their salary scale as a result of the grant of long service increment(s), should convert in the normal manner either in their salary scale or in the master salary scale.
  - (vi) 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

aggregate sum of their gross salary as at 30 June 2008 and 75% of the difference between the recommended flat salary and their gross salary as at 30 June 2008.

- (vii) Officers reckoning 24 years' service in a single grade would be eligible on reaching the top salary of their revised salary scale, and 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 revised salary scale for two years.
- (viii) Officers reckoning 24 year's service in a single grade or 21 year's service in a single grade requiring a degree/professional qualification obtained after at least three years' full time study and who, as at 30 June 2008, were already drawing the top salary of their salary scales for two consecutive years should be granted an additional increment on conversion. The recommendation as regards officers reckoning 21 years' service in a single grade and requiring a degree/professional qualification shall lapse on 30 June 2009 with the implementation of the recommendation made at Chapter 10 paragraph 10.52 of this Report.
- (ix) Officers reckoning 24 year's service in a single grade or 21 year's service in a single grade requiring a degree/professional qualification obtained after at least three years' full time study and who as at 30 June 2008 were already drawing more than the top salary of their scale by one point as a result of the grant of long service increment and who were due for another long service increment on 1 July 2008 should move to the next higher point in their salary scale or in the master salary scale.
- (x) Where two or more grades have been (a) merged or (b) restyled to a single appellation or (c) merged and restyled, the aggregate number of years of service in respect of the merged grades or the restyled grades or the merged and restyled grades should be considered for the implementation of recommendations under paragraphs 23.8 (vii) to (ix).
- (xi) The salary point immediately before the Qualification Bar (QB) in a scale shall be considered as the top salary in respect of an officer, who does not possess the required qualification to cross the QB in the implementation of recommendations at paragraphs 23.8 (vii) to (ix).

- (xii) For officers of parastatal bodies who have been re-deployed in the Civil Service, by virtue of a decision of government, and required to perform similar duties under the same or different grade appellation, the aggregate number of years of service should be taken into consideration for implementing the recommendations at paragraphs 23.5 (vii) to (ix).
- (xiii) As from 1 July 2009, officers on salary scales will move in the normal manner along the salary points recommended for their respective grades. Those on flat salaries will be eligible for the salary of their grades.
- (xiv) A part-time employee whose salary increase works out to less than Rs 500 shall receive the full increase in year 2008/2009. A part-time employee whose salary increase works out to more than Rs 500 shall be granted the salary obtained by adding 75% of the increase in excess of Rs 500 and a sum of Rs 500.

#### **Computation of Retirement Benefits**

23.7 The retirement benefits of officers who shall retire during the period 1 July 2008 to 30 June 2009 should, except for the commuted lump sum, be computed on the basis of the converted salaries effective from 1 July 2008. Exceptionally the commuted lump sum of the concerned officers shall be computed on the converted salaries of 1 July 2009 (Vide Chapter 20 on Public Service Pension).

#### **Effective Date**

23.8 The Report should be implemented as from the 1 July 2008 subject to the following:

- (i) all recommendations in this Report concerning salaries and relating to 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 Benefit, and Salary on Promotion, should take effect as from 1 July 2008 and should be computed on the basis of the converted salaries effective from 1 July 2008. For the purpose of determining eligibility for benefits resulting from conditions of service e.g. passage benefit, overtime, leave and duty deferred exemption, the salary conversion of 1 July 2009 shall be deemed to have taken effect from 1 July 2008;
- (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 2008. Some examples are: Sick Leave, Maternity Leave, Injury Leave, Vacation Leave, Casual Leave, and Uniforms;

- (iii) revised and new allowances computed and specified in the Report, except where otherwise stated, shall likewise take effect from 1 July 2008;
- (iv) the recommendations concerning amendments in qualification requirements in schemes of service, changes in hours of work and work arrangements and creation of grades should take effect as from a forward date to be determined by the Ministry of Civil Service and Administrative Reforms (MCSAR), subject to the provisions of relevant recommendations in this Report; and
- (v) the recommendations of committees set up to study specific issues should take effect as from a date to be determined by a Monitoring Committee chaired by the Supervising Officer of the MCSAR and comprising representatives of the Ministry of Finance and Economic Development and the Pay Research Bureau.

#### Payment of Allowances

23.9 With the implementation of this Report, all previous authority for the payment of allowances should lapse, except for those specifically mentioned in the chapter dealing with the different departments. Allowances not covered in this Report but which may still be justified would be revised by the Bureau upon submission from the Ministry of Civil Service and Administrative Reforms.

#### Options

23.10 Employees, who opt for the revised salaries and conditions of employment but do not opt for the new contributory pension scheme, should be eligible to a monthly pay equivalent to 92% of their revised salaries.

23.11 Employees, who have proceeded on leave prior to retirement before the 1 July 2008 and have not effectively retired from the service, would be allowed to exercise the option for the new Contributory Pension Scheme.

23.12 It is understood that acceptance, either *in toto* or under the foregoing options, of the revised emoluments and the terms and conditions of service contained in this Report implies that any related emoluments or allowance cannot be the subject of an industrial dispute, in conformity with the Industrial Relations Act.

23.13 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 2008.



### **Standing Committees**

23.14 The Bureau has, in its previous Reports as well as in this Report, recommended for the setting up of various standing committees under the chairmanship of the MCSAR and having as members representatives of the Ministry of Finance and Economic Development and the Pay Research Bureau to deal with specific recurring issues that normally cannot be addressed in an overall review or that concern implementation. Staff associations have again submitted that representatives from the unions should also form part of these committees as they may gainfully contribute in their deliberations. The Bureau has, in principle, no objection that representatives of unions are co-opted, as and when required, to assist a committee in its decision taking.

### **Recommendation**

**23.15 We recommend that the chairperson of a standing committee may, wherever deemed necessary, co-opt a representative of the staff side having the right competencies and experience, depending on the subject matter being discussed.**

### **Post Review Mechanism**

23.16 This general review covers the pay and organisation structures and conditions of service of the Public Sector and the Private Secondary Schools and encompasses some 5,000 grades involving around 83,000 post holders. With an exercise of such magnitude, there is the likelihood of certain errors and omissions occurring.

23.17 Following each report, the Bureau sets appropriate post review mechanism to deal with and/or look into cases of omissions/errors and such other issues or matters relating to interpretation/implementation problems. While we are maintaining those mechanisms which have so far proved suitable, we are making additional arrangements to assist parties including employees and staff associations in the implementation phase.

**23.18 The Bureau shall after the publication of this Report maintain for a period of three months a special desk to receive and provide information to any concerned parties including employees or union representatives on any problem arising out of interpretation and/or implementation of this Report.**

**23.19 All cases considered to be genuine errors and omissions should continue to be channelled to the Bureau for consideration through the MCSAR within a time frame of three months as from the date of approval of the Report for implementation.**

- 23.20** The Bureau would examine the cases thus submitted by the Ministry as early as possible and would submit its recommendations for immediate action wherever expedient to facilitate implementation. All cases of errors and omissions including those reported upon for immediate action shall be compiled and integrated in an Errors, Omissions and Clarifications Report, to be published within a period of twelve months from the date of implementation of the main Report.
- 23.21** Any issue emanating from the implementation of the recommendations of this Report and requiring a fundamental change would be referred to the High Powered Committee, chaired by the Secretary to Cabinet and Head of the Civil Service for consideration and appropriate decision/action.
- 23.22** After the publication of the Errors, Omissions and Clarifications Report, any issue relating to salaries and allowances, except where a specific procedure has been spelt out, may be submitted to the Bureau through the appropriate channel i.e. through the Organisation and MCSAR.
- 23.23** The MCSAR should continue to act as facilitator and accounting body to ensure that relevant recommendations of the Report approved for implementation and conditions of service are communicated fully and are efficiently implemented in a standard and consistent manner.

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## 24. OTHER PERTINENT ISSUES AND RECOMMENDATIONS

### Caution

- 24.1 As indicated earlier, it is essential, in the process of determining public sector pay to make an assessment of the general climate of pay in the country. While one of the important criterion used for pay determination has been external comparison to ensure the competitiveness of the recommended pay structure, it has not been possible nor is it desirable to bring about a complete alignment with what obtains in the private sector for several reasons. At the higher level, social acceptability sets limits to which the gap with the private sector can be bridged. On the other hand, at the lower level where the public sector has generally a pay lead, though it would have been advisable to allow the private sector to catch up with the public sector, it has not always been possible in certain specific cases in view of (a) the quality of intake, (b) the current level of pay, (c) the introduction of the new contributory pension scheme, (d) the need to take account of the erosion of purchasing power for the period July 2003 to June 2008, and (e) the nature of responsibilities in the public sector.
- 24.2 In this review, the pay package offered has been worked out taking into account the foregoing including the employee pension contributions (introduced for the first time), the taxable element thereon, as well as compensation for all the other changes in pension provisions. **With the implementation of this Report, the guaranteed salary shall be the initial of the salary scale or the starting salary of an incumbent in any post and annual incremental increase shall invariably be a variable component based on overall performance and has to be earned.** The increments provided in the salary scales would be awarded taking into consideration performance, conduct and behaviour, efficiency, diligence including, availability and regularity at work. **In several instances, particularly for future entrants, the top salary is only indicative and theoretical as a large number of incumbents leave the grade before reaching the top. The remaining employees would remain in their grade and would reach the top end of their scale generally after 20 to 25 years' service, subject to satisfactory performance.**
- 24.3 However, where in the process of adjusting for internal relativities the pay of a grade has fallen out of line with market realities, we have given the benefits for incumbents in posts but are recommending that in future such grades should carry new salaries nearer to market rates i.e. with the same initial salary but with a top salary less than the prescribed maximum. In other instances a restructure has been carried out and incumbents would be required to assume higher responsibilities. In other cases, recruitment would no longer be made to such grades which implicitly carry personal salaries. **The Bureau proposes to keep a watch on the market and may in the light of development review the top end of the scales for future entrants on need arising.**

- 24.4 Moreover, we wish to restate the refrain contained in the 1993 and 1998 PRB Reports that “though in general, pay should be more or less in line for comparable jobs, it would be unfair to expect total equality between the public and the private sectors. Factors such as conditions and security of employment, quality of intake, perquisites, hours of work, etc, differ significantly from a public concern to a private concern. In the private sector, the need to remain competitive, to obtain larger and larger share of the market and to be profitable, are factors which set limits to pay increases in many organisations. **It would, therefore, be wrong if private concerns were expected to align or to adjust blindly their salaries in the wake of the recommendations contained in this Report. Whereas we do not dispute that in many instances the need for an increase in pay may in fact be warranted, we fear that if this is done too generally and too lightly, many of the benefits so much expected of this review might well be negated”.**

#### **Service Providing Institutions and Cess**

- 24.5 A number of public institutions are providing services to the sugar cane planting community and their budgets are partly financed by cess money levied on proceeds of sugar exported by the Mauritius Sugar Syndicate on behalf of sugar producers. These service providing institutions are, *inter alia*, the following: (i) Cane Planters and Millers Arbitration and Control Board (CPMACB); (ii) Sugar Planters Mechanical Pool Corporation; (iii) Farmers Service Corporation (FSC); (iv) Mauritius Sugar Terminal Corporation (MSTC); and (v) Sugar Industry Labour Welfare Fund.
- 24.6 With the 36% sugar price cut by September 2009, the reform of the above institutions has been defined in the Multi Annual Adaptation Strategy 2006-15 as a top priority strategy that would yield an early reduction in costs to sugar cane planters. Currently, global cess stands at around Rs 625 m representing Rs 1140 per tonne of sugar. The set objective is to reduce global cess by some Rs 300 m.
- 24.7 The total staff employed by the SPIs (excluding the SILWF) for financial year 2005/2006 was 1,123 with a total manpower cost of Rs 348 m. This represents 62% of cess obtained by SPIs.
- 24.8 In this context, Government commissioned the consulting firm KPMG to effect a study and to make recommendations for a review of the service providing institutions funded by cess money. KPMG has completed its study and submitted its report to the Ministry of Agro Industry and Fisheries. This report is currently being studied at the level of the Ministry and has not yet been approved for implementation.

- 24.9 The main recommendation of KPMG is to reduce the SPIs to a strict minimum through grouping into four clusters. This would imply among other actions mergers, redeployment, ERS and VRS. It is estimated that the reduction in staff could range from 1,123 to 300 depending on the integration approach adopted over 4-5 years.
- 24.10 In the light of the foregoing and the fact that the Report of the KPMG on the whole issue is still being studied at the level of the Ministry, **we have reported on the five institutions concerned on their respective existing organisation structures and have brought about only minimum necessary changes to suit current operational requirements while not impeding the reform process.**

#### **Employment of Safety and Health officer/Senior Safety and Health Officer**

- 24.11 The Occupational Safety and Health Act No. 28 of 2005 is applicable also to public sector organisations. In line with the provision of the Act, a Health and Safety Unit has been set up at the Ministry of Civil Service and Administrative Reforms to cater for Ministries/Departments in the Public Service.
- 24.12 Parastatal Bodies and other public sector organisations are taking necessary steps to enlist the services of a Safety and Health Officer either on a part-time or a full-time basis. We have, in this Report, created the grade of Safety and Health Officer on the establishment of certain parastatal bodies. Given the dearth of qualified officers on the labour market, as revealed by our survey on scarcity, **management may opt to employ Safety and Health Officer on a part-time basis against payment of a monthly allowance of Rs 11700.**

#### **Payment of Allowances**

- 24.13 **With the implementation of this Report, all previous authority for the payment of allowances should lapse, except for those specifically mentioned in the chapter dealing with the different departments. 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 and Administrative Reforms.**

#### **Employees with Disabilities**

- 24.14 United Nations Convention on the Rights of Persons with Disabilities (61<sup>st</sup> Session held in December 2006) stresses on, *inter alia*, the protection of the rights of these persons to just and favourable conditions of work and safe and healthy working conditions.
- 24.15 Mauritius signed the UN Convention on the 25<sup>th</sup> September 2007. In December last year, a National Policy Paper with an Action Plan on Disability was published by the Ministry of Social Security, National Solidarity and Senior Citizens Welfare

and Reforms Institutions. According to the Plan and to be in line with Article 27 of the UN Convention, one of the important recommendations is to promote the recruitment of persons with disabilities in both the public and private sectors and to review the existing rules and regulations in that respect.

24.16 It must be highlighted that over the years the Mauritian Government has taken a number of decisions and initiatives to eliminate prejudice and discrimination against persons with disabilities especially as regards their employment.

24.17 With Government's commitment to enable persons with disabilities to take full advantage of opportunities available in a fast developing economy, we consider that a package of benefits over and above the facilities currently available is desirable for employees in the Public Service.

### **Recommendation 1**

#### **24.18 We recommend that:**

- (a) Government should continue to make improvement in all office structures and amenities to render work environment user friendly for employees with disabilities and to ensure them easy access to their place of work;**
- (b) employees with disabilities be posted as far as possible near their place of residence;**
- (c) annual casual leave entitlement be increased from 11 days to 12 days;**
- (d) employees with disabilities travelling by bus to reach their place of work be allowed to leave office 15 minutes earlier subject to exigencies of the service; and**
- (e) refund of travelling by bus to attend duty should be by the most practical route though not the most economical one.**

### **Schemes of Service**

24.19 In the light of structural changes recommended in this Report, **consequential amendments would have to be brought to the schemes of service of grades/cadres to reflect the required profiles and the new roles and responsibilities that would devolve on incumbents.**

24.20 Subsequent to the implementation of relevant recommendations made in this Report, appropriate action with regard to schemes of service requiring changes/ amendments as well as specifications of schemes of service for new posts should be taken, as far as possible, within a maximum period of six months.

### **Alignment of Schemes of Service in the Public Sector**

24.21 We have, in this Report, brought certain changes in the qualifications, duties and responsibilities of several grades in the Civil Service. The salaries recommended for the grades take into account all these changes. Moreover, for the sake of harmonisation, identical/comparable grades in the Parastatal Bodies and Local Authorities, though under different appellations, have been aligned salarywise on their Civil Service counterparts.

24.22 Following the revision in the qualification requirements of these grades in the Civil Service, it is necessary that adjustments be made in the schemes of service of the corresponding grades in the Parastatal Bodies and Local Authorities in alignment with what obtain in the Civil Service.

### **Recommendation 2**

**24.23 We recommend that where the salaries of identical/comparable grades in Parastatal Bodies and Local Authorities have been aligned on those of the Civil Service, the schemes of service of these grades should, wherever relevant, be amended along the lines of counterparts in the Civil Service.**

### **Ensuring Availability of Best Talents**

24.24 In several countries, appointment to senior positions is made from both within the service and outside candidates. This allows selection from a wider base of qualified and competent people not only from the public and private sectors locally but also from abroad. The Sixth Central Pay Commission has recently recommended for the Indian Civil Service the creation of such posts outside the traditional cadre system. This approach allows more flexibility in the appointment of talents to positions of responsibilities.

**24.25 The application of a similar policy for filling of senior, professional and managerial positions in the Public Service will allow the entry of new talents as a plus for enhanced service delivery. It will also induce our elite back home. In that regard, we have in this Report made recommendations to open certain cadres at higher levels where the need has been felt. Government may wish to consider the advisability of lateral entry at higher echelon in the service to ensure availability of the best possible talents from within and outside. This will be in line with our recommendations made in the 2003 PRB Report regarding the creation of a Senior Executive Service and might induce our elite back home. However, enlistment of such talents should be strictly on functional considerations and such posts should invariably be created outside the existing cadres to be filled by method of open selection.**

**“Gender Neutral” Considerations**

24.26 In this Report, we are pursuing the process, started in 2003, to address gender issues in the Public Sector. To the extent possible, neutral job appellations have been adopted. In certain areas, avenues of promotion to managerial positions in the hierarchy, once reserved for male officers, particularly in the disciplined forces, have been opened to female officers up to certain levels, for obvious reasons.

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## 25. CONCLUSIONS

- 25.1 In fulfilling our mandate, we have not only set the appropriate pay and organisation structures and conditions of employment that befits the present environment but have equally set the strategies that need be acted upon to deal with the challenges facing the civil service. It is expected that the mix of recommendations of this Report would create the desired motivation for a performance culture to emerge and to transform public sector organisations into modern, professional and citizen-friendly entities that are dedicated to the service of the people.

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*“The pattern of Income Distribution sets limits to social intercourse and everywhere that pattern is marked with greed and envy. Now is the time to show that in a civilised society these marks need not be indelible.”*

**Barbara Wooton**  
**Author of Social Foundations of Pay Policy**