

ADDRESS BY HON. DR VASANT K. BUNWAREE
MINISTER OF LABOUR, INDUSTRIAL RELATIONS &
EMPLOYMENT

MAURITIUS EMPLOYERS' FEDERATION

WORKSHOP ON

SCR & GLOBAL COMPACT

Monitoring, Evaluation and Reporting

Date: Thursday 31 July 2008

Time: 0930 hrs

*Venue: MEF Management School
MEF – MCCI Building
Ebène Cybercity
Ebène*

**Mrs Daniella Zampini, Multinational Enterprises Department,
ILO Office Harare**

Mr Claudio Caldarone, UNDP Resident Representative

Mr Anwar Joonas, Chairman of Mauritius Employers' Federation

Dr Azad Jeetun, Director, Mauritius Employers' Federation

**Distinguished guests
Ladies and gentlemen**

A very good morning to all of you. I am indeed very delighted to be with you today and to address participants and guests of **Mauritius Employers' Federation** on the occasion of the opening of this important Workshop organised in close collaboration with the **International Labour Organisation and UNDP**.

I would like to seize this opportunity to congratulate the **Mauritius Employers' Federation** for the laudable initiative to organise this workshop and also for putting Corporate Social Responsibility high on its agenda.

This Workshop on **Global Compact** and Corporate Social Responsibility cannot come at a more opportune time. Indeed, you would recall that during my intervention here on the occasion of the **46th Annual General Meeting** of MEF, a few months ago, I stated that Government has made Corporate Social Responsibility a policy focus, so much so that the need of CSR was stressed in the last two Government Budgets.

Ladies and gentlemen,

As you may be aware, the **Global Compact** initiative, which was launched by the Secretary General of the **United Nations** in January 1999, is a framework for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas relating to **Human Rights, Labour, the Environment and Anti-Corruption**.

Today, in the span of less than a decade, Global Compact has grown rapidly to become the World's Largest Corporate Citizenship initiative involving UN agencies, business, labour and civil society groups.

The Global Compact's ten principles are derived from four major Declarations and Conventions, to which Mauritius is a signatory - namely:

- The Universal Declaration of Human Rights;
- The International Labour Organisation's Declaration on Fundamental Rights;
- The Rio Declaration on Environment and Development;
- The UN Convention Against Corruption.

Ladies and gentlemen, in addition to mainstreaming the above ten principles in business activities, the other objective of Global Compact is to catalysing actions in support of broader UN goals, such as the **Millennium Development Goals**.

The Government is fully committed to promoting the above ideals and also to ensuring that necessary environment – legal or otherwise, is created in order to fulfill our “obligations” under Global Compact.

In the area of Human Rights, already a host of measures and reforms are being carried out by my colleague, the Minister of Justice and Human Rights. Other measures have been announced by the Deputy Prime Minister and Minister of Finance and Economic Development concerning sustainable development programmes and with the view to making Mauritius – a Green Island.

At the level of my own Ministry, we have not only spearheaded the ratification of the **Eight ILO Fundamental Conventions**, but also ensured that necessary measures are taken with a view to making all our Labour Laws in compliance with these Fundamental Conventions – which are also of direct relevance to Global Compact.

In this regard, maximum care has been taken in order to ensure that the **Employment Relations Bill** and the **Employment Rights Bill** – which have reached the final stage of preparation are fully compliant with these Conventions.

Last week Government took cognizance of the study that has been carried out by my Ministry, in collaboration with the ILO and UNDP, on the Elimination of all Forms of Discrimination in the existing Mauritian Legislation. The findings will serve as reference to enabling the Government to take such steps and measures so as to remove existing discrimination in our laws.

Ladies and gentlemen, I am particularly pleased to note that **Global Compact** was launched in Mauritius at the initiative of **Mauritius Employers' Federation**. As the focal point of UN Global Compact, the MEF was entrusted with the responsibility for the creation of a Global Network in Mauritius. I understand that several activities have already been organised by MEF, which has also pilot-tested Training Materials on Global Compact.

I am happy that today's Workshop will focus on Corporate Social Responsibility, with special emphasis on Monitoring, Evaluation and Reporting.

Ladies and gentlemen, according to the **World Business Council for Sustainable Development**, *"corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as that of the local community and society at large"*. In short, a company should take into account the social, ethical and environmental effects of its activities on its staff and the community around it.

Social responsibility also refers to Managers of an organisation performing activities that protect and improve society beyond the extent required to serve the direct economic and technical interests of the organisation.

Corporate social responsibility considerations are therefore integral elements of business decisions process and they contribute to the global competitiveness and reputation in all areas of business. It is an approach that gets away from the old idea that economic, social and environmental goals are always in conflict.

In Mauritius, however, in majority of cases, **Corporate Social Responsibility** remains too unfocused, adhoc and unrelated to business operations and strategy. If I am not wrong, the MEF recent survey shows that more than **75 percent** of enterprises do not have a well defined policy on CSR while less than **28 percent** have regular budget allocations for CSR activities. We have very few enterprises that actually communicate and evaluate their social performance. The commitment to community is limited to donations and sponsorships. Very few have any systematic approach towards CSR.

I, therefore, strongly encourage the **Mauritius Employers' Federation** to further strengthen its membership within the Global Network. I would invite the MEF to redouble its efforts to take on board its Global Compact Network as many companies as possible.

Today, more than half of the **100 top companies** in Mauritius show a turn-over of over Rs 1 Billion. The combined profits of our 100 top companies, according to Business magazine, has reached **Rs 23 Billion**, as compared to **Rs 15 Billion in 2006**. Indeed, our country has been good to its businessmen. It is but fair, therefore, that the companies put more of the proceeds of their success back into society.

Ladies and gentlemen, government alone cannot effectively address the many challenges the country has to face, particularly in the areas of **poverty alleviation, environment protection, Health, Education, Sports and leisure, community development**, among others. A larger CSR contribution from these big companies would go a long way towards easing some of the pressing social problems in our country.

I, therefore, make a special appeal to all companies to earmark a **reasonable**, if not a sizeable, amount of their budgets for Corporate Social Responsibility projects. I strongly believe Social Responsibility, which is increasingly becoming one of the important influences on an organisation's performance, should be an integral part of the enterprise's **structure, culture and identity**. In this regard, the Mauritius Employers' Federation could play a vital and determining role towards obtaining a meaningful engagement on the part of its members on Corporate Social Responsibility.

Ladies and Gentlemen:

You will agree with me that the challenges we are called upon to address will require a different mindset and a change in the attitude. I strongly believe that it is only people who can make things change and this is why we need to place high premium on human capital development.

When we are speaking of a new mindset, and a change in attitude, we are not only speaking of employees, but of all stakeholders, including employers, businesses and of course government. Hence the importance and relevance of today's workshop.

This workshop, I hope, will help the participants to eventually facilitate the creation of a formal CSR strategy in their respective enterprises. A strategy that defines goals and methods for implementation and evaluation or measurement of CSR projects.

Ladies and gentlemen, CSR is a voluntary undertaking and rightly so. It is **business-owned** and **business-driven**. But Corporate Social responsibility is also very much about **transparency** and **accountability**. It is about human dignity and about contributing in a

positive way to the development of society. Many companies, whose representatives are present here today, play an important role in promoting **responsible business practices**. It is important for the Government to reflect on what it can do to support these processes, particularly in areas where the challenges are the greatest. I assure you that you can rely on our cooperation.

I wish all participants fruitful deliberations.

I thank you for your attention.