

ADDRESS BY

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MINISTER OF LABOUR, INDUSTRIAL RELATIONS &  
EMPLOYMENT

MAURITIUS EMPLOYERS' FEDERATION

48<sup>th</sup> ANNUAL GENERAL MEETING

*Date: Wednesday 31 March 2010*

*Time: 1000 hrs*

*Venue: MEF-MCCI Building  
Ebène Cybercity*

*Ebène*

**Mr Anwar Joonas, President, Mauritius Employers' Federation**

**Dr Azad Jeetun, Director, Mauritius Employers' Federation**

**Distinguished Guests,**

**Ladies and Gentlemen,**

I am indeed very pleased to be amongst you today on the occasion of the 48<sup>th</sup> Annual General Meeting of the Mauritius Employers' Federation. Allow me to thank the Chairman and the Director of MEF for associating me with this important event.

Your Annual General Meeting obviously constitutes an important occasion to take stock of achievements and to discuss the way forward.

Ladies and gentlemen, I still recall that at this assembly last year, I spoke of the difficult times which our country was going through in the wake of the international economic and financial crisis and the many important issues which required to be addressed by all of us. I spoke of the challenge of not only achieving our objective of job creation, but also and more importantly of preserving and protecting workers.

I referred to the **Stimulus Package** and highlighted its social contract nature and the obligations of all concerned. I called on you to help advance the **Decent Work Agenda** in Mauritius and urged you to see to it that there is full compliance with the new labour laws, namely the **Employment Relations Act** and the **Employment Rights Act**.

Indeed, this assembly today provides us all with the opportunity not only to discuss achievements and actions in relation to these issues but also to brace ourselves for future challenges.

Let me first thank the MEF for the way it has responded to Government's call to harness all efforts and resources with a view to address the impact of the international economic and financial crisis. Indeed, we have been able to come out relatively unscathed through the economic crisis, thanks to the measures initiated by Government and through our concerted efforts.

Today most of the economic and social indicators show that Government was right in coming up with timely, bold and enabling measures. Thanks to the **Additional Stimulus Package** and to a host of other budgetary measures and schemes implemented, we have been able to save thousands of jobs – contrary to the prediction made in some quarters of massive job losses due to the economic crisis.

Ladies and gentlemen, it should be noted that the measures we have implemented through the **Additional Stimulus Package** along with some of the measures provided in the new labour laws, in particular the **Workfare Programme**, are in line with recommendations contained in the **ILO Global Jobs Pact**, adopted at the 98<sup>th</sup> Session of the International Labour Conference. The **ILO Global Jobs Pact** underlines key economic, labour and social policy measures to face the crisis and help the transition to recovery. These policy measures which have been recommended by the ILO, and which are being implemented by Government include the following:- **unemployment benefits, re-skilling of redundant workers, public investment in infrastructure and housing, support to SMEs, enhancement of social protection to vulnerable groups and social dialogue.**

You would certainly agree with me that these measures which we have implemented have contributed to making our economy more resistant to the impact of the global crisis and more resilient. Given the success of these measures, Government has deemed it appropriate to respond positively to the request of employers to maintain the **Additional Stimulus Package** until December this year.

Our concerted actions to steer Mauritius through and out of the crisis have resulted in our country being commended by numerous countries and international organisations and financial institutions like the **IMF** and the **World Bank**.

Ladies and gentlemen, in so far as the employment situation is concerned, let me say that Mauritius has done fairly well – despite the economic crisis. Contrary to what is happening worldwide, be it in the USA, in Europe or in the emerging economies like China and India, we have, in Mauritius, not only succeeded in protecting jobs, but we have also been able to create additional jobs despite the difficult context.

During the year 2009, employment in Mauritius increased by **5,800**, while the unemployment rate rose from 7.2% in 2008 to 7.3% in 2009, which represents an increase of **1,100** additional unemployed, a reasonable figure indeed, in the circumstances.

Ladies and gentlemen, since the coming into force of the Employment Rights Act in February 2009 up to last week, some 2,300 laid-off workers have registered under the Workfare Programme. The Workfare Programme has brought a form of immediate financial assistance to workers laid-off essentially as a result of the re-structuring of their enterprises. We should bear in mind however, that the Workfare Programme has to be sustained financially. It has been noted that some employers have still not paid the recycling fee in respect of

laid-off workers within the prescribed time limit. I take this opportunity therefore, to request employers to honour their obligation under the law.

I have also noted with concern that, in many cases, workers aged 40 and above are the first to be laid-off during downsizing of an enterprise, this despite their considerable work experience and skills and their demonstrated loyalty to the enterprise. Another factor of concern is the perceived reluctance on the part of some enterprises where vacancies exist to recruit such workers who are referred to them for placement by the Employment Service of my Ministry. We should not forget that these middle-aged workers have family responsibilities and financial commitments. More often than not, their contribution to the financial upkeep of their families is crucial, particularly with regard to the education of their children, housing loan repayments etc. The reluctance shown by some employers to recruit such workers is prejudicial to them on a number of counts.

I have no doubt that you are all conscious of what a tragedy it is for a middle-aged worker, who has spent his best years and energy working for the success of an enterprise to ultimately find himself redundant with little hope of an early placement in another similar job.

I therefore make an appeal to enterprises through the MEF to exercise due care and consideration and a humane approach whenever they have to proceed with laying-off. However, I need not remind you that the laying-off of workers by enterprises facing difficulties should be a **decision of last resort**. There are other measures and schemes available to such enterprises to assist them without their having recourse to lay-off.

Ladies and gentlemen, recent events with regard to the world of work and industrial relations in the country prompt me today to focus on some specific issues such as collective-bargaining, freedom of association, fundamental rights of workers, discrimination and occupational safety and health, among others.

It is the duty of any civilised society to ensure that its members enjoy respect and dignity and ensures observance of their rights. We should not forget that the level of development we have attained would not have been possible without the efforts and contribution of workers of this country.

One year after the coming into effect of the new Labour laws, and despite the fact that there exist specific provisions in the law regarding the role and responsibilities of employers with regard to the promotion of collective-bargaining, I have to say that the status of collective-bargaining in the country has, unfortunately,

not registered much progress. Many enterprises have yet to sign the procedure agreement with duly recognised trade unions.

The right to freedom of association is a fundamental right and I am deeply concerned whenever this right is denied by some employers – as it happened in a recent case involving a well known company in the textile sector. I therefore appeal to employers to facilitate the process of recognition where trade unions are adequately represented as per provision of the law and facilitate also the collective bargaining process where the need arises.

Ladies & Gentlemen,

Safety at work is also one of the fundamental rights of workers. As employers, you have a direct responsibility to take all steps necessary to provide a safe working environment. The Occupational Safety and Health Act 2005 clearly sets out the duties and responsibilities employers with regard to safety at work. These include: -

- the preparation of an occupational safety and health policy where enterprises have more than 50 employees and the implementation of same.
- the carrying out regularly of a risk assessment at the workplace with a view to identifying hazards, evaluating the risks arising and taking corrective measures as necessary.

It is in the interest of every employer to ensure that due consideration is given to occupational safety and health matters as poor safety and health records negatively impact on the enterprise' productivity and reputation. In this world of cut throat competition there is no room for complacency and appropriate action will be taken whenever cases of negligence or non-compliance are brought to light.

Ladies & Gentlemen,

My Ministry is also committed to the elimination of all forms of discrimination which may exist in our laws. To that effect, the Ministry commissioned, with financial assistance from UNDP, a study to identify all discriminatory provisions in our national legislation with respect to international instruments such as the ILO Convention No. 111 concerning Discrimination in respect of Employment and Occupation and the CEDAW (Convention on the Elimination of all Forms of Discrimination against Women), just to name these two.

A Committee has now been set up under the chairmanship of the Attorney-General, Hon Rama Valayden, to monitor the implementation of the recommendations of this study and ensure harmonisation of our national legislation with the provisions of these international instruments.

Before I conclude, I would like to congratulate the outgoing president of the MEF, Mr Anwar Joonas, for the catalyst role the MEF has played under his able leadership, particularly with regard to the implementation of the new labour laws. His mandate was also marked by the international economic and financial crisis and MEF has been a party to the introduction of several measures to mitigate the impact of the crisis on our economy. I have no doubt that the MEF will, under the incoming president, continue to successfully address the challenges ahead and foster good relations with all partners. I am confident that I can always rely on the full support of the MEF.

I thank you for your attention.