



REPUBLIC OF MAURITIUS

# Annual Report On Performance

## Fiscal Year 2016-2017

Ministry of Labour, Industrial Relations,  
Employment and Training

## About this Report

This Annual Report depicts the Performance of the Ministry of Labour, Industrial Relations, Employment and Training for the financial year 2016/17 following amendments made to the Finance and Audit Act in March 2015. This is the first report on the performance of the Ministry and has been prepared according to guidelines issued by the Ministry of Finance and Economic Development.

The report is a mechanism of accountability in relation to resources provided by the National Assembly and services delivered thereon. It also provides information for our stakeholders and the public at large.

The Ministry is committed to maintaining accountability and transparency in its activities and continually improving its reporting.

## Guide to this Report

### Part I: About the Ministry/Department

Part 1 sets out the vision, mission, overview of the Ministry, its roles and functions as well as its organizational structure.

### Part II: Achievements and Challenges

Part II describes mainly the major achievements, status on the achievements of budget measures and a review of how the Ministry has performed during the previous year including the additional internal Key Performance Indicators that it has set for each of its Delivery Units. This section also provides the actions and system put in place in relation to risk management, citizen oriented initiatives and good governance practice.

### Part III: Financial Performance

Part III provides the financial highlights for the previous year and an overview discussion of significant changes in financial results. It also includes statements of revenue and expenditure.

### Part IV: Way Forward

Part IV provides a situational analysis of the environment in which the Ministry operates and which impacts on its service delivery. It also includes the strategic directions to realize the Ministry's vision, objectives and desired outcomes.

## Contents

<b>Part I – ABOUT THE MINISTRY.....</b>	<b>4</b>
Vision and Mission.....	4
Minister’s Statement .....	5
Supervising Officer’s Statement .....	7
Roles and Functions of the Ministry.....	9
Key Legislations under the responsibility of the Ministry.....	10
Brief Overview of the Sections/Units of the Ministry .....	11
Statutory Bodies under the purview of the Ministry.....	13
About Our People .....	14
Organisational Structure of the Ministry.....	16
<b>Part II – MINISTRY/DEPARTMENT ACHIEVEMENTS &amp; CHALLENGES.....</b>	<b>17</b>
Major Achievements for Fiscal Year 2016-2017 .....	17
Status on Implementation of Budget Measures 2016/17 .....	20
Status on Implementation of Key Actions .....	21
Risk Management, Citizen Oriented Initiatives & Good Governance.....	23
<b>Part III – FINANCIAL PERFORMANCE.....</b>	<b>24</b>
Financial Highlights.....	24
Statements of Revenue and Expenditure .....	24
Analysis of Major Changes .....	26
<b>Part IV – WAY FORWARD.....</b>	<b>28</b>
Trends and Challenges.....	28
Strategic Direction .....	30

**Part I – ABOUT THE MINISTRY**

## Vision and Mission

**VISION**

That all Mauritians have access to gainful and productive employment and that the work environment be safe and conflict-free.

**MISSION**

Promote decent work, support employers and workers in creating a safe, conflict-free and productive workplace and facilitate access to gainful employment.

**OUR CORE VALUES**

*Integrity:* we are guided by the highest standards of professional ethics

*Quality:* we are result-oriented and are committed to provide services of the highest quality in a timely manner

*Team spirit:* we foster teamwork and the sharing of information and resources.

## Minister's Statement



It gives me great pleasure to present the Annual Report for the Ministry of Labour, Industrial Relations, Employment and Training for the Financial year 2016- 2017. The submission of this Report, mandatory under the Finance and Audit Act since March 2015, is a demonstration of the financial transparency and accountability and good governance. The Report aims also at providing a clear picture of the roles and key functions of the Ministry and Departments under its purview.

The world of work is undergoing a major process of change at exponential rate. Changes in the labour market structure inevitably bring in its wake new challenges in the employer-employee relations. Ensuring that the only available resource in the country, the human resource, is adequately prepared to meet the requirement of the new digital workplace is another hard nut to crack.

When I was assigned the portfolio of Minister of the Ministry of Labour, Industrial Relations, Employment and Training, I was far from imagining the immense task that was in the waiting. However, looking in the rear-view mirror, I can with a sense of pride, say that much has been achieved since I assumed office.

The national minimum wage has now become a reality. The National Wage Consultative Council was set up in January 2017 and submitted its Report in November 2017. Furthermore, my Ministry is working on the review of the existing Employment Rights Act and the Employment Relations Act. Towards this end, a revamped National Employment Service is being set up following the National Employment Service Act of 2017. My Ministry initiated action to set up an on-line system with a view to, *inter alia*, enabling the issue of work permits within 15 working days and ensuring better coordination with the Passport and Immigration Office and the National Pension Fund.

I am thankful to the Hon Prime Minister and Minister of Finance and Economic Development, for the means put at the disposal of my Ministry in the successive budgets in the accomplishment of its mission in line with Government's vision.

Last but not least, I would like to thank and congratulate all the staff of my Ministry without whose support and commitment all the mentioned achievements would not have been possible. I hope they will continue their work with the same dedication and team spirit towards a safer and conflict-free work environment in Mauritius.

Allow me to end this famous quote by John D. Rockefeller: "I believe in the dignity of labour, whether with head or hand; that the world owes no man a living but that it owes every man an opportunity to make a living".

*The Hon S.S. Callichurn*

Minister of Labour, Industrial Relations, Employment and Training

## Supervising Officer's Statement

I am pleased to present the Annual Report on the performance of the Ministry of Labour, Industrial Relations, Employment and Training which covers the period 01 July 2016 to 30 June 2017.



It is worthy to note that the year 2016 was marked by the passing of the National Wage Consultative Council Act and the setting up of the National Wage Consultative Council to make recommendations to the Minister of Labour, Industrial Relations, Employment and Training on a national minimum wage for the Republic of Mauritius. The Council is expected to submit its Report in October 2017.

In line with the new Government Programme 2015-19, I wish to emphasize that our Ministry is deeply committed to review both the Employment Rights Act and the Employment Relations Act with a view to better protecting and safeguarding the rights of Trade Unions and workers in general. The Government Programme also places high on its priorities the issue of unemployment and of finding ways and means to address this problem. Toward this end, a revamped National Employment Service is being set up following the National Employment Service Act of 2017.

In the wake of the rapidly changing working environment, I sincerely hope that this Ministry should continuously re-engineer itself to be in a leading position to effectively address the new challenges and the overall objectives of the Decent Work Agenda as propounded by the ILO. My vision is for a smarter Ministry, one that is characterised by a fast pace of adaptability to change, capacity to innovate and one that provides rapid responses to the expectations and aspirations of stakeholders.

I avail myself of this opportunity to acknowledge the contribution of all our staff – the Administrative and Technical cadres in the attainment of the goals contained in this Annual Report despite the challenges experienced during the period under review.

I am fully confident that the Ministry will sustain its efforts to provide a safe, healthy and productive work environment to all workers. I will ensure that the interests of our customers remain high on our agenda.

Our major focus in the coming years will be to strengthen our institutional capacity so as to fulfil the mandate of the Ministry. This cannot be achieved without the collaboration and dedication of the staff of my Ministry.

I am confident that this document will prove to be an essential tool to our stakeholders.

I end this statement with the following quote:

*“Don’t tell people how to do things, tell them what to do and let them surprise you with their results”*

*-George S. Patton*



*Mr R.P. Nowbuth*

Permanent Secretary, Ministry of Labour, Industrial Relations,  
Employment and Training

## Roles and Functions of the Ministry

The Ministry of Labour, Industrial Relations, Employment and Training aims at providing a high level of services to members of the public as well as safeguarding the rights of the citizens in obtaining relevant services from the Ministry through a conducive working environment. The key functions of the Ministry are to:

- (a) promote industrial peace and harmony and to protect the fundamental rights and dignity of workers.
- (b) enhance productivity and the general well-being of the workforce through the improvement in the standards of safety and health and prevention of occupational diseases and injuries at the workplace.
- (c) facilitate the employment of jobseekers, provide assistance and guidance with regard to employment prospects and facilitate the employment of non-citizens, where required.
- (d) regulate the functioning of associations and trade unions.
- (e) regulate the operation of recruitment agencies involved in the recruitment of Mauritians for employment locally and/or overseas and the recruitment of non-citizens for employment in Mauritius.
- (f) monitor the performance of parastatal bodies operating within its aegis.

## Key Legislations under the responsibility of the Ministry

SN	LEGISLATIONS
1	Employment Rights Act
2	Employment Relations Act
3	Occupational Safety and Health Act (2005)
4	Registration of Associations Act
5	Recruitment of Workers Act
6	Non-Citizens (Employment Restriction) Act
7	Employment and Training Act
8	Additional Remuneration Act
9	End of Year Gratuity Act
10	Employees Superannuation Fund Act
11	Manufacturing Sector Workers Welfare Fund Act
12	National Wage Consultative Council Act

## Brief Overview of the Sections/Units of the Ministry

The Ministry comprises several Divisions and Units at its Headquarters, which are mainly responsible for policy formulation and implementation and monitoring of Labour and IR issues and programmes.

DIVISIONS	MAIN FUNCTIONS
<div data-bbox="233 510 746 645" style="border: 1px solid black; border-radius: 15px; padding: 10px; text-align: center;">Labour &amp; IR Division</div>	<ul style="list-style-type: none"> <li>❖ ensure compliance with labour legislation both in respect of Mauritians and migrant workers and institutes such civil or criminal proceedings as deemed necessary and conduct such proceedings in the Industrial Court for or in the name of a worker</li> <li>❖ provides a conciliation service to promote the settlement of industrial disputes reported to the Minister</li> </ul>
<div data-bbox="233 981 746 1115" style="border: 1px solid black; border-radius: 15px; padding: 10px; text-align: center;">Occupational Safety and Health Division</div>	<ul style="list-style-type: none"> <li>❖ enforcement of legislation pertaining to occupational safety and health</li> <li>❖ ensures continual enhancement of safety and health standards at workplaces</li> </ul>
<div data-bbox="233 1227 746 1361" style="border: 1px solid black; border-radius: 15px; padding: 10px; text-align: center;">Employment Division</div>	<ul style="list-style-type: none"> <li>❖ register jobseekers, including laid-off workers and place them in gainful employment</li> <li>❖ collection and dissemination of Labour Market Information</li> <li>❖ enforce the Non-Citizens (Employment) (Restriction) Act and issue work permits to migrant workers</li> <li>❖ enforce the Recruitment of Workers Act and issue Recruitment Licence to Recruitment Agencies.</li> </ul>
<div data-bbox="233 1818 746 1944" style="border: 1px solid black; border-radius: 15px; padding: 10px; text-align: center;">National Remuneration Board</div>	<ul style="list-style-type: none"> <li>❖ make recommendations to the Minister regarding minimum remuneration and terms and conditions of employment in the private sector</li> </ul>

Commission for Conciliation and Mediation	<ul style="list-style-type: none"><li>❖ provide conciliation, mediation and advisory services for promoting the improvement of industrial relations in the workplace</li></ul>
Registry of Associations	<ul style="list-style-type: none"><li>❖ conferring legal status on trade unions, associations and superannuation funds</li><li>❖ ensuring compliance to the Registration of the Associations Act</li></ul>

## Statutory Bodies under the purview of the Ministry

There are three parastatal bodies/institutions operating under the purview of the Ministry. Their main functions and aims are as follows:

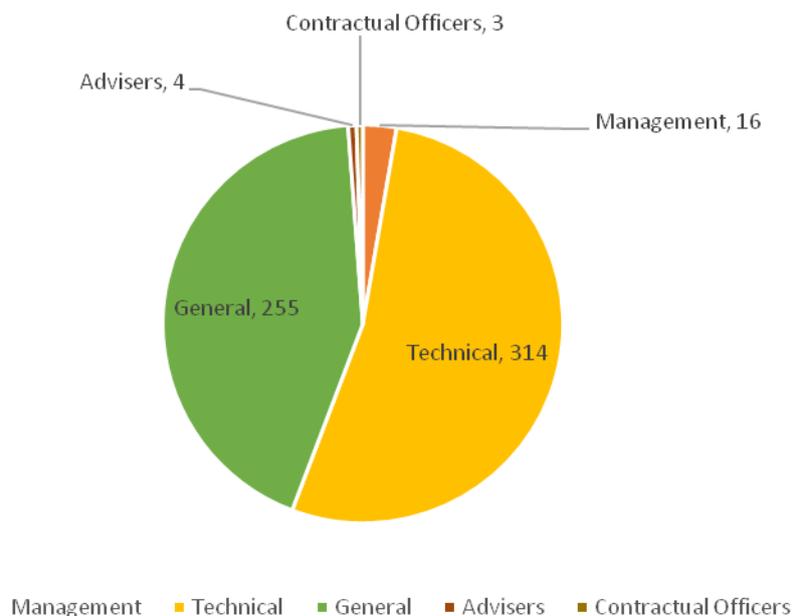
STATUTORY BODY	MAIN FUNCTIONS AND AIMS
<div data-bbox="229 472 735 645" style="border: 1px solid black; border-radius: 15px; padding: 10px; text-align: center;">           Manufacturing Sector Workers Welfare Fund         </div>	<ul style="list-style-type: none"> <li>❖ advance and promote the social and economic welfare of workers, their spouses and their children</li> </ul>
<div data-bbox="229 712 727 909" style="border: 1px solid black; border-radius: 15px; padding: 10px; text-align: center;">           Trade Union Trust Fund         </div>	<ul style="list-style-type: none"> <li>❖ Receive and manage funds and other property obtained from the Government and other sources</li> <li>❖ Promote worker's education</li> <li>❖ Organize and sponsor Seminars, Conferences, Workshops, Training Courses and other related activities for the benefit of the members of Trade Unions affiliated to workers' organizations</li> </ul>
<div data-bbox="229 1227 735 1424" style="border: 1px solid black; border-radius: 15px; padding: 10px; text-align: center;">           National Wage Consultative Council         </div>	<ul style="list-style-type: none"> <li>❖ make recommendations on a national minimum wage to the Minister</li> <li>❖ submit a report to the Minister on the impact of the national minimum wage within 12 months of its introduction and thereafter, every year</li> <li>❖ review the next national minimum wage by latest 2020 and subsequently every 5 years</li> </ul>

## About Our People

The Permanent Secretary is the Administrative Head of the Ministry of Labour, Industrial Relations, Employment and Training. He is assisted in his functions by two Deputy Permanent Secretaries and four Assistant Permanent Secretaries. He is also supported by the Director, Labour and Industrial Relations, Director Occupational Safety and Health, Director Employment Services, Registrar of Associations, President of Commission for Conciliation and Mediation and the Chairperson National Remuneration Board.

For the financial year 2016/2017, the Ministry had **592** funded positions.

### Funded Positions in MLIRET 2016/2017



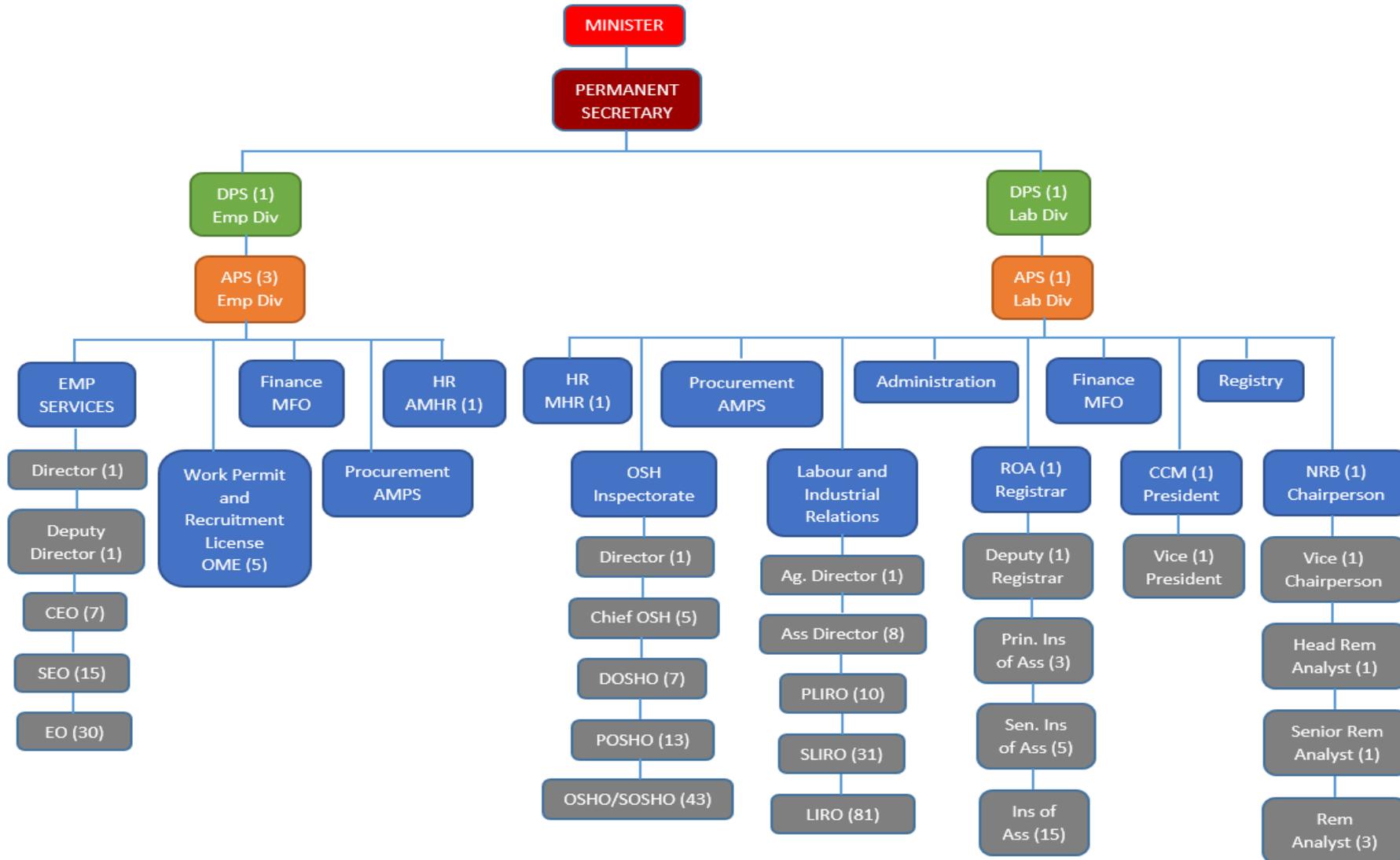
### Total HR for the Ministry

<b>Funded positions 2016-2017</b>	
<b>Sectors</b>	<b>Number</b>
Management and General	166
Labour and Industrial Relations	144
Occupational Safety and Health	75
Registry of Associations	22
Commission for Conciliation and Mediation	5
Employment (General)	108
Employment (Technical)	72
<b>Total</b>	<b>592</b>

### Management and General

<b>Job Title/Category</b>	<b>Number</b>
Minister	1
Permanent Secretary	1
Deputy Permanent Secretary	2
Assistant Permanent Secretary	4
Manager, Financial Operations	1
Registrar of Associations	1
President, Commission for Conciliation and Mediation	1
Chairperson, National Remuneration Board	1
Chairman, National Wage Consultative Council	1
Director, Labour and Industrial Relations	1
Director, Occupational Safety and Health	1
Director, Employment Services	1
Assistant Manager, Financial Operations	1
Financial Officer/Senior Financial Officer	4
Assistant Manager (Procurement & Supply)	1
Assistant Manager, Internal Control	1
Internal Control Officer/Senior Internal Control Officer	1
Other Support Staff	142
<b>Total</b>	<b>166</b>

Organisational Structure of the Ministry



## Part II – MINISTRY/DEPARTMENT ACHIEVEMENTS & CHALLENGES

### Major Achievements for Fiscal Year 2016-2017

#### Labour Division

- 1) The Labour & IR Division carried out 4,442 inspections recovering a total amount of Rs. 4,074,893 for the period under review. For the same period 7,418 complaints were settled and sum of Rs. 90,002,524 was recovered. In addition, 931 new cases were referred to the Industrial Court thereby recovering Rs. 23,205,609. 2,784 workers were sensitized on labour issues.
- 2) The OSH Division carried out 5,251 visits, lodged 162 cases to the Industrial Court, issued 28 prohibition orders and registered 3,938 factories, and sensitized 6,936 workers/employers on OSH issues.
- 3) 5,377 laid-off workers were admitted to the Workfare Programme and Rs. 365,623,377 was paid as Transition Unemployment Benefit.
- 4) 342 formal meetings were held by the Commission for Conciliation with a view to conciliating parties to the labour disputes while 211 informal meetings were held with disputants and management.
- 5) On 01 May 2017, on the occasion of the International Labour Day the Ministry organised several activities namely: the distribution of Posters and brainstorming session on 'Workplace Stress' which was the theme proposed by ILO at National Level, leisure activities at discounted rate for workers, recognition to retired staff of the Ministry, recreational for Mauritian workers of the Manufacturing Sector, Dossier, Blood Donation, Medical Check-up and wreath laying at the stele of Anjalay Coopen.
- 6) The Registry of Associations was computerized and the system is live since 26 September 2016.
- 7) As mentioned in the Government Programme 2015-2019, the Ministry has undertaken consultations with all relevant stakeholders and a draft Bill has been prepared which is subject to discussions by a Ministerial Committee and the Bill is scheduled to be introduced in the National Assembly. Similarly, a National Wage Consultative Council to determine the national minimum wage

for the Republic of Mauritius has been set up and consultations are ongoing at the level of the Council, which is due to submit its recommendations to the Minister in October 2017.

- 8) To celebrate the International Migrant Day, the Manufacturing Sector Workers Welfare Fund, a para estatal organization under the MLIRET, invited some 4000 migrant workers to spend a whole day at Casela Nature Park on 18 December 2016. All the costs relating to transport, food and leisure activities were borne by the Fund.
- 9) The Asbestos Awareness Training Programme for Tripartite Constituents was organised from 05 to 07 December 2016. The objective of the programme was to sensitise tripartite stakeholders on asbestos, its hazards and how to manage asbestos at the workplace to ensure Safety and Health of employees and also give participants an overview of the Occupational Safety and Health (Control of Asbestos at Work) Regulations 2014, which came into force on 20 October 2016.
- 10) The World Day for Safety and Health at Work on the theme proposed by the International Labour Organisation, “Optimize the collection and use of OSH data. A contribution to the implementation of sustainable development goal 8” was commemorated on the 28 April 2017 and 5,000 posters were distributed to employers, Safety and Health Officers, trade unions and other stakeholders to sensitise them on the importance of collection and use of OSH data as a preventive approach to OSH management and also as a contribution to the sustainable goal 8 to be achieved by the year 2030.
- 11) In a spirit of business facilitation, the Ministry has since the year 2016, through the introduction of a number of enabling measures, allowed a considerable number of manufacturing sector companies to recover their capital which was tied up in banks in the form of bank guarantees.

### **Employment Division**

- 1) 3,622 persons were placed by the Employment Service and 1,054 unemployed youth placed under the Youth Employment Programme (YEP) in the Public Sector. Moreover, 174 Trainee Engineers were placed in the Public Sector.
- 2) Economic sectors such as the ICT/BPO, the Metal manufacturing and the Furniture manufacturing industries, which were facing an acute shortage of labour have been given a boost through the introduction of measures in May 2017 facilitating the employment of foreign workers where required.
- 3) The Recruitment of Workers Act, which dates as back as 1993, is reviewed on an ongoing basis such that more stringent legal barriers are adopted to counter illegal practices of recruitment. Concurrently, a new set of selection criteria and guidelines for recruitment agents have been put up in September 2016.
- 4) A new scheme that will allow companies operating in the ICT/BPO Sector to create additional job opportunities on the basis of a 1:1 formula, i.e., one foreign employee against one Mauritian employee, for all new work permit applications has been successfully introduced in May 2017. Foreign expertise may now be allowed on a pairing concept to allow for the transfer of knowledge and technology. The Employment (Non-Citizens) (Restriction) Exemptions Regulations 1970 has been amended to allow expatriates coming to work in companies in the ICT/BPO Sector to be granted a Business Visa, pending the ICT/BPO companies applying for work permit, so that they may start work immediately on arrival.
- 5) A job fair was organised by the Ministry at the Lady Sushil Ramgoolam SSS, Triolet on Saturday 4 February 2017 whereby 40 employers from the Textile and other manufacturing, Cruise, Security, ICT/BPO, Construction, Hotel, Bank, Insurance, Trade and Cleaning Services participated. Around 5,000 persons visited the job fair.

## Status on Implementation of Budget Measures 2016/17

In the 2016/17 Budget Speech, three measures were announced pertaining to the Ministry of Labour, Industrial Relations, Employment and Training. The Table below shows the status of these measures:

### Budget Measure

Para in Budget Speech including Annex	Budget Measure	Status
46	Launching of a special scheme for the placement of 200 trainee engineers in public sector bodies.	This Ministry launched the Trainee Engineer Scheme as from Sept 2016. Financial clearance approved for training of 400 instead of 200 trainees. In March 2017 scheme extended to the private sector. Number of placement from Sept 2016 to June 2017 stood at 187 (166 Government Bodies and 21 Private Sector)
47	Provision for employment of 2,000 unemployed under the YEP.	Number of YEP placed in private sector for FY 2016-2017 was 2652 and public sector was 1932.
51	Setting up of an umbrella National Employment Agency with wide-ranging responsibilities and powers that could generate some 7,000 new jobs in the short term and some 21,400 youth, men and women out of unemployment.	The National Employment Bill is being finalized at the level of the Ministry and same would be introduced in the National Assembly in October 2017.

### Status on Implementation of Key Actions

Seven Key Actions with Key Performance Indicators were stipulated in the Budget document of 2016/17 and the status of these actions is given in table below

Key Action	Key Performance Indicator	Target (as per Budget Estimates)	Status
Review of existing legislations:  (i) The Employment Rights Act and the Employment Relations Act to consolidate the fundamental rights of workers and reinforce freedom of trade unions	The Employment Rights Act and the Employment Relations Act amended	May 2017	Proposed amendments are subject to consideration by a Ministerial Committee.
(ii) The Occupational Safety and Health Act 2005 to enhance OSH standard at workplaces	The Occupational Safety and Health Act 2005 amended	May 2017	Draft Bill is subject to discussions at the Level of the OSH Advisory Council.
(iii) The Registration of Associations Act to improve the registration process in compliance with best regulatory practices	The Registration of Associations Act amended	May 2017	Draft Bill is being finalized by the Registrar of Associations.
(iv) Setting up of National Wage Consultative Council to provide for the determination of a national minimum wage	Board, Committees and staff of National Wage Consultative Council in place	March 2017	The National Wage Consultative Council Bill which provides for the establishment of a National Wage Consultative Council was passed in the National Assembly on 26 May 2016.  Subsequently, on 20 January 2017, Cabinet approved the composition of the Board.  Consultations are ongoing at the level of the Council which is due to submit its recommendations by end of October 2017.

(v) Computerisation of Registry of Associations System to enhance service delivery and reduce time taken to process applications	Average time taken to process applications (days)	45 days	Target is not being met due to acute shortage of staff. Same would be achieved after filling of vacancies.
(vi) Operationalisation of the e-work permit system to reduce time taken to process and deliver work permits	(a) E-work permit system launched  (b) Average time taken to deliver work permits (days)	Dec 2016  15	Target is being met in straight forward cases. However, shortage of staff and an exponential increase in applications remain a bottleneck.
(vii) Setting up of the National Employment Agency as a one-stop shop for registration, employment counselling, training and placement of jobseekers	National Employment Agency set up and online employment services operational	June 2017	The Draft National Employment Service Bill is being finalized and is due to be introduced in the National Assembly in October 2017.

## Risk Management, Citizen Oriented Initiatives & Good Governance

### ***Internal Control Unit***

The Ministry has an Internal Control Unit as from September 2016 which operates independently and assists management in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's risk management, control, and governance processes.

Using a risk assessment model for audit selection, the Unit comprising one Assistant Manager, Internal Control prepared an annual audit plan for period November 2016 to June 2017, giving priority to areas which posed the greatest risk to the Ministry, under which 2 audits were performed.

### ***Audit Committee***

In accordance with the Charter issued by the Office of Public Sector Governance, the Ministry has an Audit Committee to assist the Accounting Officer in monitoring and reviewing both the risk control and the governance processes established in the Ministry. For the period under review, the Committee met on four occasions.

### ***Customer Care Service – a citizen oriented initiative***

As mentioned earlier, the Ministry is result-oriented and is committed to provide services of the highest quality in a timely manner. With this objective in mind, a special desk has been set up at the Head Office to provide support services and information to workers, employers, representatives of trade unions and members of the public. The same services are also provided in all the 16 Labour Offices (Annex I) and 13 Employment Information Centres (Annex II) located around the island.

## Part III – FINANCIAL PERFORMANCE

### Financial Highlights

The Budget of the Ministry of Labour, Industrial Relations, Employment and Training is categorised under 4 Sub-Heads which represent the main sectors of MLIRET, namely:

Sub-Head	Sector
26-101	General
26-102	Labour & Employment Relations Management
26-103	Registration of Associations & Trade Unions
26-104	Employment Facilitation

Funds to the tune of **Rs. 613M** were appropriated to the Ministry for financial year 2016/17.

### Statements of Revenue and Expenditure

The Statements of Revenue and Expenditure have been prepared from the Estimates 2016/17 and data captured from Treasury Accounting System (TAS).

#### Statement of Revenue

Item/Revenue	2015/16	2016/17
Registration of Associations	614,000	588,313
Registration of Factories	2,767,000	2,676,440
Miscellaneous	2,503,000	2,014,512
Work/Occupation Permits	203,303,000	204,501,600
Recruitment Licences	720,000	312,000

**Statement of Expenditure (Actual for FY 2015/16)**

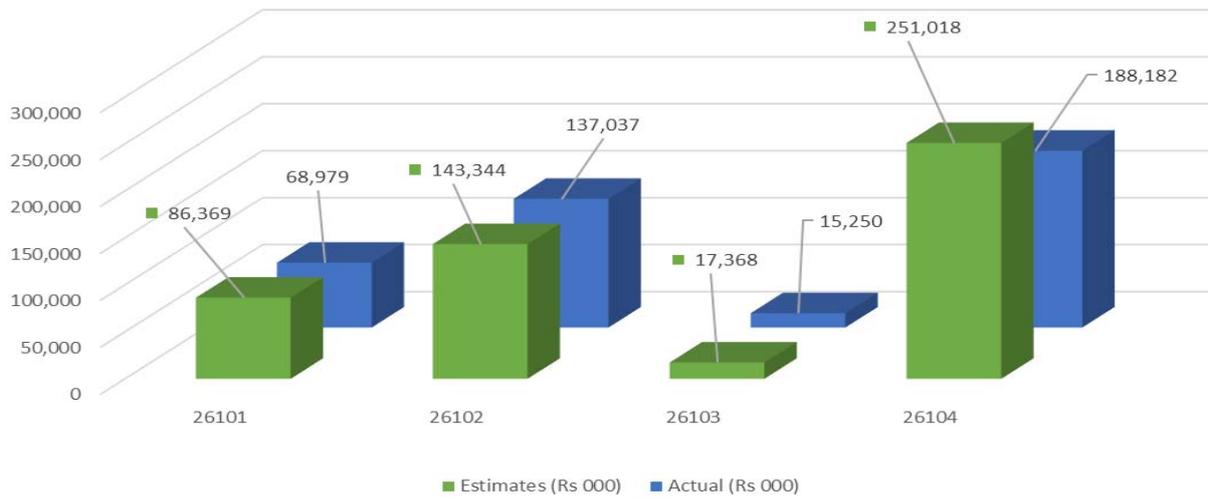
<b>Particulars</b>	<b>26101</b>	<b>26102</b>	<b>26103</b>	<b>26104</b>	<b>Total</b>
Compensation of Employees	58,118,128	93,269,556	10,466,457	52,408,682	<b>214,262,823</b>
Goods and Services	10,860,412	33,108,738	3,533,416	21,153,218	<b>68,655,784</b>
Grants	-	10,658,326	-	-	<b>10,658,326</b>
Other Expenses	-	-	-	103,831,533	<b>103,831,533</b>
Acquisition of Non-Financial Assets	-	-	1,249,844	10,788,433	<b>12,038,277</b>
<b>Total</b>	<b>68,978,540</b>	<b>137,036,620</b>	<b>15,249,717</b>	<b>188,181,866</b>	<b>409,446,743</b>

**Statement of Expenditure (Actual for FY 2016/17)**

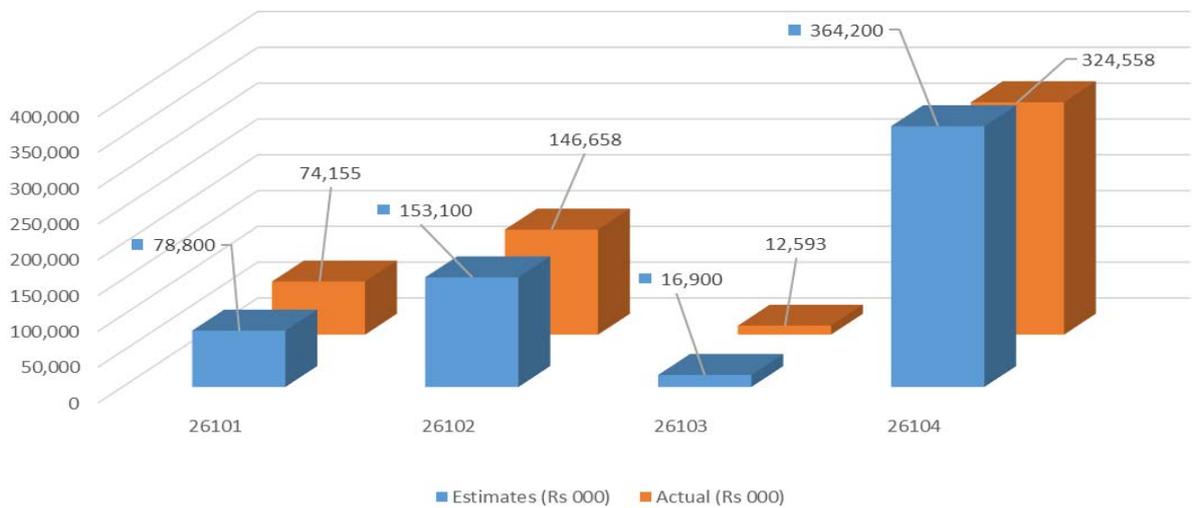
<b>Particulars</b>	<b>26101</b>	<b>26102</b>	<b>26103</b>	<b>26104</b>	<b>Total</b>
Compensation of Employees	61,771.29	100,765,975	8,965,488	61,226,562	<b>232,729,243</b>
Goods and Services	12,383,881	35,433,444	3,607,730	25,285,398	<b>76,710,435</b>
Grants	-	10,457,867	-	-	<b>10,457,867</b>
Other Expenses	-	-	-	233,326,017	<b>233,326,017</b>
Acquisition of Non-Financial Assets	-	-	20,252	4,719,392	<b>4,739,644</b>
<b>Total</b>	<b>74,155,099</b>	<b>146,657,286</b>	<b>12,593,470</b>	<b>324,557,369</b>	<b>557,963,224</b>

Analysis of Major Changes

Comparison between Estimates and Actual Budget Expenditure by Sub-Heads for Fiscal Year 2015 / 16



Comparison between Estimates and Actual Budget Expenditure by Sub-Heads for Fiscal Year 2016 / 17



A comparison made of the budget appropriated to the Ministry by the National Assembly for the year 2015/16 and 2016/17 clearly indicates an increase of **Rs. 127,200,000**. The major chunk of this additional provision was made to cater for the Youth Employment Programme (YEP), the Back to Work Programme (BTW) and the Dual Training Programme (DTP).

While YEP is a placement and training programme for the youth aged between 16 and 35 years to facilitate the transition from education to employment and to provide them with the core skills required by the different sectors of the economy, the BTW has been introduced for women above 35 years old who wish to join/rejoin the labour force, after having left their jobs for one reason or another. On the other hand, the DTP is a mix of practical on-the-job training and classroom studies which provides the opportunity for a direct match between demand and supply of companies' requirements and lessens the consequences of misdirected planning in terms of addressing labour mismatch.

Furthermore, the Trainee Engineer Scheme was introduced to address the current bottleneck regarding pre-registration of engineers at the Council of Registered Professional Engineers. The requirements of two years practical training under the supervision of professional engineers could not be entertained for lack of training possibilities for our graduates in engineering. This traineeship enables the latter to qualify for registration with the Council of Registered Professional Engineers of Mauritius and to operate as full-fledged engineers.

Provision was also increased for the recruitment of Labour and Industrial Relations Officers (LIRO's) and Employment Officers (EO's) as these two Divisions have been facing acute shortage of staff in the pursuance of their service delivery. In this context, provisions were made for the recruitment of 27 additional LIRO's and 18 EO's with a view to increasing the number of inspections at workplaces and ensuring compliance to the National Minimum Wage Regulations, and enhancing the service to jobseekers at the Employment Information Centres.

## Part IV – WAY FORWARD

### Trends and Challenges

#### **Trends and Challenges**

The enactment of the National Wage Consultative Council Act to set up a National Wage Consultative Council to make recommendations on a national minimum wage for the Republic of Mauritius and engaging consultations with relevant stakeholders for the review of the Labour Legislations have been the major focus of the Ministry in 2016 and 2017 as well as the setting up of a National Employment Department.

The National Wage Consultative Council is expected to submit its recommendations by the end of October 2017 for implementation as from January 2018. Given the high expectations from workers and their representatives, the Ministry will have to ensure compliance for the payment of the national minimum wage. In this regard, a Special Squad will be set up at the level of the Labour and IR Division to warrant payment of the national minimum wage by all employers. Once the minimum wage is implemented, the Council will also have to submit, within 12 months of its introduction, a report on the impact of the national minimum wage.

The amendments of the labour legislations, in 2018, that meet the expectation of the workers and are also acceptable to the employers will prove to be another daunting challenge for the Ministry.

Over the years, the recruitment process has undergone several massive changes, though coping and keeping pace with same has not been easy. As issues such as illegal recruitment practices, including charging of abusive fees from workers, false promises, forced labour, impersonation and falsification of documents, and trafficking in person/labour trafficking in extreme cases, remain persistent, and are often difficult to detect, capacity building, enforcement of the law, monitoring and resource mobilization remain a significant challenge. The legal framework for the recruitment of workers is

being reviewed to empower the Ministry in innovative ways which cater for the various issues highlighted above.

Some other challenges that await the Ministry in the years to come are as follows:

- Skills Mismatch
- Decreasing birthrate
- Ageing Population
- Regular improvement of legal and administrative framework
- Continual improvement of safety and Health framework

## Strategic Direction

### Strategic Direction 2017-2020

- Ensure the protection of workers and prevalence of decent work conditions through the implementation of the second Generation Decent Work Country Programme.
- Promote harmonious industrial relations between employers and employees by way of broader range of dispute resolution mechanisms.
- Review the Employment Rights Act and the Employment Relations Act to consolidate the fundamental rights of workers and reinforce freedom of trade unions
- Promote occupational safety and health at workplaces through the Occupational Safety and Health Management System.
- Enhance good governance in Associations and Trade Unions.
- Restructure the Employment Service to better address demand and supply need of the labour market for employment through the National Employment Department.
- Facilitate the employment of job seekers including women, youth, vulnerable groups, laid off workers and disabled through the implementation of employability enhancement programmes.
- Formulation of a National Employment Policy
- Adopt leaner processes for the timely processing and delivery of permits and licences.