

## **NATIONAL REMUNERATION BOARD**

### **NOTICE**

#### **Livestock Workers**

#### **(Remuneration Order) Regulations - Proposed Recommendations**

In virtue of Section 95 (2) (b) of the Industrial Relations Act, the National Remuneration Board will submit proposed recommendations to the Minister of Labour, Industrial Relations & Employment in respect of the above-mentioned sector.

Copies of the recommendations will be made available at the office of the National Remuneration Board, 3<sup>rd</sup> Floor Crescent House, Cnr, Deschartres & Foucault Street, Port Louis on **Monday 21 January 2008** as from **14.00 hours** and counter representations thereto should be sent to the Board by **Monday 4 February 2008** at latest.

The above documents could be downloaded from this Ministry's website as provided below:

**<http://labour.gov.mu>**

**National Remuneration Board**

**Date: 18 January 2008**

**NATIONAL REMUNERATION BOARD**  
**LIVESTOCK WORKERS (REMUNERATION ORDER) REGULATIONS**  
**PROPOSED RECOMMENDATIONS**

**I. Introduction**

Following a reference made by the Honourable Minister of Labour and Industrial Relations & Employment under Section 94(1) of the Industrial Relations Act 1973, the National Remuneration Board has produced the present report. As with other Remuneration Orders already reviewed, the Board has, in the present sector, proceeded, with its very limited resources, in the following manner in order to carry out the requested review.

- first, it invited written representations from all interested parties and received a response from (i) the Livestock and Allied Industries Workers' Union, (ii) the Plantation Workers' Union (PWU), (iii) the Federation des Travailleurs Unis (FTU) and (iv) the Mauritius Meat Producers' Association.
- secondly, it held a series of hearings whereby it heard submissions from (i) the Federation des Travailleurs Unis, represented by Mr. A. Shanto, assisted by Mr. B. Baboolall, of the Farm Workers Union (ii) the Livestock and Allied Industries Workers' Union, represented by Mr. D. Ramjuttun, assisted by P. Kuppan, (iii) the Plantation Workers' Union, represented by Mr. G. Bhujan and (iv) the Mauritius Meat Producers' Association, represented by Mrs M. Lionnet, assisted by Mr P. Dursun of the Mauritius Employers' Federation.
- thirdly, the Board carried out the task of visiting a series of enterprises from the 21<sup>st</sup> August to the 5<sup>th</sup> October 2007. During the said visits, the employers or their representatives and seventy-seven (77) employees were interviewed and relevant information was gathered from the exercise.
- fourthly, the Board held Board Meetings to examine and discuss all the issues before arriving at the present proposals.

## **II. An overview of the sector**

### **Introduction**

Under the Regulations subject matter of the present review exercise, the livestock industry is defined principally as follows: “*the industry relating to the breeding and raising of livestock, including cattle, deer and poultry*”. Thus the present regulations encompass various livestock firms which however exclude those engaged in the breeding and rearing of fish and monkeys.

According to AREU, there are around 5872 registered farmers, most of whom are self employed or family concerns. Approximately 9% of the farmers employ casual workers for a few hours a day. Around 1% employ a minimum of 1 to 2 workers on a permanent basis whereas the large companies have a permanent workforce with a negligible turnover.

Most of the small farms tend to regroup themselves into cooperative societies for the sake of enabling them to take advantage of the facilities offered by the government in this sector.

The share of the livestock industry towards the national GDP has remained more or less stable at 0.8%. However, the share of livestock in agriculture is following an upward trend, probably due to the incentives provided by the Ministry of Agriculture and the efforts being put in by the AREU officers to increase local production and boost up the sector.

Livestock sector has contributed towards meeting the local demand for such product except for export of day old chicks to African countries.

The fact gathering exercise revealed that female employment was not a common feature in the industry. The CSO figures tend to confirm same as female workers represent only 12.2% of the total labour force employed in large establishments in this sector. The majority of employees interviewed, including a few female ones, were not in favour of the removal of the “limitation of assignments” clause in the R.O.

## **Future of the sector**

This is a rather fragile and unpredictable sector as far as the health and sanitary aspects are concerned. It has however been gathered that the future is bright in terms of local demand and scope for increased production. Demand in terms of local consumption is in excess of supply of these products. Recently, the price of dairy products, including milk, venison, and other meat products has risen sharply. It seems that the future for deer farming is bright as there is excess demand for venison, the cheapest and most nutritive meat on the market.

However, in parallel one can see the hardship caused to the sector with the sudden outbreak of animal diseases and loss incurred by their respective owners. It nevertheless remains a fact that most of the small farms hardly employ permanent employees.

The Ministry of Agriculture has embarked on a livestock development programme with its main objective being to increase production. According to the research conducted by AREU, there exists significant opportunities to expand local production for further penetration of the domestic sector.

## **Current conditions of employment**

### *Working Hours*

The normal working hours as per the present R.O. is 45 hour per week, constituting of 8 hours work on 5 days of the week and 5 hours on one other day (in general on Saturday). In an industry relating to the breeding and raising of animals, it is not at all uncommon to find people working on a full week basis. It is a common practice in this sector for workers to work on Sundays on a roster basis since farms operate on 7 days a week. It was gathered from the site visits that a number of employees were putting in between 10 to 66 extra hours of work monthly.

### *Overtime Remuneration*

This regulation contains provisions concerning payment of an extra remuneration in case an employee performs extra hours beyond his stipulated hours of work. The mode of computation

of this extra payment provides that an employee has to be remunerated at 1½ times for any excess hours of work beyond his normal day's work or stipulated hours of work and at twice and thrice the normal rate for the first 8 hours and thereafter respectively on Sundays and public holidays.

The Board's survey reveals that employees generally perform extra hours of work particularly on Sundays. While the large well established farms were remunerating their employees for the extra hours, it still remains that others were not paying a single cent neither for the extra hours put in during week days nor for work performed on Sundays or public holidays, the latter very often being interpreted and considered as a normal day's work. It is suggested that the Enforcement Branch of the Ministry looks into that matter.

#### *End of Year Bonus (EYB)*

The Remuneration Order provides that every employee shall be entitled at the end of the year to a bonus equivalent to 8.4 to 16% of his earnings depending on the number of normal days' work he has performed; earnings itself meaning basic wages and wages earned for extra work. It is to be observed that any underpayments in the employees' wages or salaries would entail a number of discrepancies in such other payments as overtime remuneration, payment of annual and sick leave, refund of annual leave at year end and which in turn would have a direct bearing on the computation of the end year bonus. Similarly wrong computation or non payment of overtime would as well deprive the employees concerned of their rightful dues under this item. Without losing track of the above it was observed however, that most of the establishments surveyed were, as regards payment of the EYB, applying the principle of either a percentage of earnings or a month wage whichever is the higher.

#### *Leaves*

Our survey revealed that a number of employers are becoming more and more conscious of the need to grant to their employees certain leave benefits not prescribed by the R.O. to cater for such occasions as wedding, birth of child, death of close relatives and so on. In 92% of the 13 establishments surveyed, the majority of employees interviewed, confirmed to be eligible to one or more of the leave benefits so far mentioned above, which they are conscious of its totally at

the discretion of management. However, depending on the type, size and financial stability of the establishments, the leaves granted would vary as follows:

- **Wedding leave** – 3 days up to 1 week
- **Funeral leave** – 1 to 4 days
- **Parental leave** – 2 to 3 days and gift of Rs 1500

In some establishments, the employees were eligible solely to the leaves prescribed in the Regulations. While a few establishments would encourage their employees to avail themselves of their leaves during the off peak period, other employers would simply play a low profile on the issue. Otherwise, like in other sectors previously surveyed, the majority of employees interviewed were found to be quite unaware of their minimum rights.

#### *Overseas Leave*

The Board made an attempt to gauge the coverage of the overseas leave provision contained in the present R.O. It was noted that out of 32 employees reckoning more than 15 years of service with their respective employers, only 3 (9.4%) have been able to benefit from the overseas leave provisions contained in the Livestock Workers (R.O) Regulations. Although entitled to a minimum of one month leave with pay, the cost implication of a holiday abroad seems to be the main reason put forward by employers and employees alike, for such a low percentage of employees applying for overseas leave.

#### *Travelling Benefits*

Farms are normally located in remote areas where no public transport is available. The employees either have no other choice than to walk or have their own means of transport to reach their place of work. Depending on the distance, employees are either refunded their return bus fare if within the distance limit for eligibility for refund of travelling expenses or left on their own. As far as eligibility to the refund of transport is concerned, two companies stick to the provisions of the R.O where as in others, it varies between 1 and 3.2 km.

### *Other Benefits*

This sector is characterised by the production and sale of a variety of products and hence every effort and initiative of management is geared mainly towards maximizing production. Accordingly a number of establishments have set up their own scheme of incentives to motivate their employees towards this objective. The incentives would vary, among other things, production bonus, prime d'ancienneté, prime d'assiduité, refund of medical expenses and gifts at year end. In addition, attendance bonus, refund of unused sick leave, medical check up, pension scheme, medical scheme, spraying allowance, provision of milk, issue of towels and soap have been introduced in a few establishments as a further motivating factor.

Free or low-cost accommodation is often provided to those working in chassée. In one chassée transport services are provided to drop and pick up employees at the site work as they have to walk long distances. All employers, covered by the survey, provide convenience facilities to their employees, such as washing, drinking water and a convenient place to take meal.

### *Job Constraints/Health & Safety*

During the course of our survey the employees complained as follows:

- Dust, smell
- No social life
- Hard work
- Too much stress
- Prone to viruses
- Responsibility of equipment
- Physically demanding – carrying bags & processing, and
- Upturning litter

Nevertheless, our survey also revealed that 37.7% of employees interviewed were quite happy with their working condition as well as with their working environments.

### *Trade Union Membership*

It has been observed that, out of 14 establishments visited, only 28.6% have some form of trade union activities. These establishments represent 48.1% (37) of employees interviewed, out of

which 70.3% (26 employees) only are union members. A breakdown of the employees interviewed by age and gender is most revealing of this disinterest or lack of involvement in the trade union movement.

### **Distribution of Surveyed Workers by Age, Gender and Union membership**

<b>Employees interviewed by age group</b>				<b>Union Membership</b>		
<b>Year</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
17-25	7	1	8	-	-	-
26-30	8	-	8	-	-	-
31-35	10	-	10	5	-	5
36-40	12	1	13	5	-	5
41-45	14	-	14	7	-	7
46-50	15	1	16	6	-	6
51-55	4	-	4	2	-	2
56-60	4	-	4	1	-	1
<b>Total</b>	<b>74</b>	<b>3</b>	<b>77</b>	<b>26</b>	<b>-</b>	<b>26</b>

Our survey has covered 74 male and 3 female employees, representing 96.1% and 3.9% respectively. Of these employees, 68.8% were in the age bracket of 31 to 50 years (a 20 year span) while 33.3% of the remaining employees were in the age groups of 17 to 25 (a 9-year span) with 8 employees above 50 years old (33.3%). The majority of union members were found to be in the age bracket of 31 to 50 years (88.5%).

### **III. The Board's Stand**

The Board wishes to make it clear from the very outset that it has, throughout the process of elaborating its proposals, stood guided by the principles laid down in Section 47 of the Industrial Relations Act. In addition, being given that Section 47 is not exhaustive, the Board has deemed it judicious to consider the specificities of the sector and the context and prospects in which it is evolving.

However, before attending to the core issues of wages and conditions of employment, the Board wishes to propose certain amendments with a view to reflect the evolution that has occurred in the sector since the last revision.



The Board recommends as follows:

**(A) Preliminaries**

- (a) that the category of **young person** be deleted;
- (b) that reference to **gender** be removed;
- (c) that reference to gender be maintained wherever such discrimination is more advantageous to the employee concerned.

**(B) Definition Clause**

The Board recommends the following definition:

**“farm worker grade I”** means a worker who performs tasks in relation to-

- (a) breeding and raising of animals;
- (b) growing of feed crops; and
- (c) construction, repairs and maintenance of miradors;

**“farm worker grade II”** means a worker who may be required by his employer to perform one or more of the following duties-

- (a) feeding and watering;
- (b) milking;
- (c) cleaning;
- (d) planting, cultivating and harvesting feed crops;
- (e) other light duties

**(C) Conditions of employment**

The Board proposes to proceed in two stages, the first one dealing with a number of items subject matter of a harmonization process initiated a few years back, and the second dealing with the rest of the issues raised before the Board and which require to be adjudicated upon in line with the specificities of the particular sector, the whole transposed in the Second Schedule of the Regulations proposals in Annex II.

## **1. Recommendations in the quest of harmonization**

These recommendations concern items that have a marked social bearing and, as such, ought, in the opinion of the Board, to apply indiscriminately to all sectors of activity unless compelling reasons warrant a different treatment in a particular sector. It is unfortunate that, under the present legislation, they cannot be extended outright to all sectors.

### **1.1 Maternity Protection**

1.1.1 The Board **recommends that the maternity allowance be increased to Rs 2000.**

1.1.2 The Board **recommends that a new subparagraph (2) be introduced to cater for the eventuality of ‘still birth’ in the following manner: a female employee who suffers a ‘still birth’ may opt for either 2 weeks leave on full pay or 12 weeks on full pay, the latter to be drawn from the 3 confinements provided by the Regulations.** The Board is here merely following the stand it has adopted in recent review exercises based on medical opinion that due to psychological trauma suffered in such an event, the period of recovery may vary depending on various factors likely to influence the person concerned.

1.1.3 The Board **recommends that the present subparagraphs (2) and (3) be renumbered (3) and (4) respectively.**

1.1.4 The Board **recommends that wherever practicable and at her request, every female employee who has entered her seventh month of pregnancy be offered all appropriate facilities as recommended by her Medical Practitioner.**

1.1.5 The Board further **recommends that where a female employee is nursing her unweaned child, she may require her employer to grant her at such time as is convenient to her –**

**(a) a break of one hour daily; or**

**(b) a break of half an hour twice daily,**

**for the purpose of nursing the said child, subject however to the possibility for the employer to require that the break be taken immediately before or after a meal or tea break.**

**No break taken in respect of above shall be deducted from the number of hours of work of the employee.**

## **1.2 Annual Leave**

**1.2.1 The Board recommends that the status quo be maintained in respect of the quantum of annual leaves.**

**1.2.2 The Board also recommends that subparagraphs (4) be deleted and replaced by the following “ A worker who has not taken or been granted all the leave to which he is entitled under subparagraph (1), he shall be paid a normal day’s pay in respect of each day’s annual leave still due at the end of the period of 12 months except where, before the end of the period, he has been dismissed for misconduct.”**

## **1.3 Sick Leave**

**The Board recommends that the existing provisions for the notification be altered by adding, after the words “first day of absence” the phrase “unless he is genuinely unable to do so, in which case he shall do so not later than on the second day of such absence”. The Board further recommends that the content of the subparagraph (2)(b) be as follows: “where an employee referred to in subparagraph (a) remains ill for more than four consecutive days, he shall, in addition, forward to his employer a medical certificate -**

- (i) where the employee was admitted to a hospital or similar institution, within 3 days following his discharge;**
- (ii) in every other case, not later than 10.00 hours on the fifth day of absence”.**

**1.3.1 The Board recommends no change to the 21 days sick leave on full pay.**

## **1.4 Special leave**

**The Board recommends that the following be grouped under the same heading special leave: “Where an employee has remained in continuous employment with the same employer for 12 consecutive months he shall be entitled to-**

- (a) **6 working days leave on full pay on the occasion of first civil or religious marriage;**
- (b) **3 days leave on full pay on the occasion of –**
  - (i) **the marriage of his child;**
  - (ii) **the death of his spouse, child, father, mother, brother or sister”.**

## **1.5 Travelling benefits and facilities**

- 1.5.1 The Board **recommends that the distance of 3 km, adopted as basis for eligibility to free transport or paid return bus-fare in the most recent review of Remuneration Order Regulations, be extended to the present sector.** The Board has deemed it necessary to mention the payment of return bus-fare in as much as its survey has revealed that a number of employers seem to be either unaware or oblivious of this aspect of the provision in the existing R.O.
- 1.5.2 The Board also **recommends that under a subparagraph (3) the following provision be catered for: “where an employee is required by his employer to attend or cease work at any time when no public bus service is available, the employer shall, irrespective of the distance between the place of residence and the place of work, provide appropriate free means of transport**
  - (a) **from the employee’s residence to his place of work; or**
  - (b) **from the employee’s place of work to his residence, such transport being provided from, or up to, the nearest practicable place from the employee’s residence”.**
- 1.5.3 The Board further considers that human beings ought to be treated with a minimum of dignity and ought accordingly not to be transported like goods or cattle. The Board therefore **recommends, in line with its stand in the review of the Field Crop and Orchard Workers (Remuneration Order) Regulations, where an employer provides transport for his employees, it should be appropriate means of transport properly fitted with well-secured seating and back-rest facilities, same to be contained in a subparagraph (4).**

## **1.6 Subsistence Allowance**

1.6.1 The Board recommends that the word “subsistence” be deleted wherever it appears and replaced by the word “meal”.

1.6.2 The Board also recommends that the allowance be increased to Rs.50 in line with its most recent recommendations .

## **1.7 Funeral Expenses**

1.7.1 The Board recommends that the title be changed into “Death Grant”.

1.7.2 The Board recommends that the amount of death grant be increased from the present Rs.1500 to Rs.3500.

1.7.3 The Board does not recommend any change to the eligibility period of 12 months continuous employment.

## **1.8 Overseas Leave**

The Board, concerned as ever with, on the one hand, the existence of a provision in the R.O. which can hardly find application on account of the costs involved in funding an overseas holiday and, on the other hand, the necessity for an employee to have a break after a certain length of loyal service, opts once more for consistency with its previous recommendation. The Board therefore recommends that:

- (i) the title “overseas leave” be repealed and replaced by “vacation leave”, the word “overseas” be replaced wherever it appears by the word “vacation”, and such vacation to be spent locally or abroad, at the employee’s choice;
- (ii) the eligibility period be reduced to 10 years continuous employment.

## **1.9 Gratuity at death or on retirement before 60 on medical grounds.**

- 1.9.1 The Board **recommends that the present provision be split into two distinct provisions catering for gratuity at death and gratuity on retirement before 60 on medical grounds.**
- 1.9.2 The Board **recommends that the gratuity be paid on the simpler basis of 15 days basic wages instead of the formula  $N \times W/2$ .**
- 1.9.3 The Board **further recommends that, in conformity with its corresponding recommendation in the latest reviewed R.O, i.e. the Field Crop and Orchard Workers (R.O) Regulations, the eligibility period be 5 years instead of 10 years.**

## **2. Other provisions**

- 2.1 **Normal working hours:** after careful consideration of all the representations made by the different parties together with the fact that part of the sector is still going through a phase of mutation which needs time to settle, the Board is of the view that it would not be wise at this point in time to bring in any formal change to the present set up. The Board therefore **recommends that the status quo be maintained in respect of working week and working day.**
- 2.2 **Extra work:** The Board **recommends that the status quo be maintained.**
- 2.3 **Notional Calculation of Basic Rate:** The Board **recommends that the status quo be maintained.**
- 2.4 **Payment of wages & issue of pay slip:** The Board **recommends that the status quo be maintained in respect of this item except for the part relating to the issue of a pay slip which should henceforth read as follows: “Every employer shall, at the time of paying the wages of an employee, issue to him a pay slip stating inter alia -**
- (a) the employee’s name, category, job title, grade, rates of pay and national identity number;**
  - (b) the total number of days on which he was present at work;**

- (c) **the number of hours of extra work performed by him and the corresponding extra payment;**
- (d) **his total wages and each item of allowance including any productivity payment;**
- (e) **every deduction made and the reason thereof’.**

2.5 **Uniforms and Protective Equipment.** The Board **recommends that the status quo be maintained.**

2.6 **Work in Cyclonic Weather.** The Board **recommends that the status quo be maintained.**

2.7 **Public holidays:** The Board **recommends that the status quo be maintained.**

2.8 **End of year bonus:** The Board **recommends that the status quo be maintained.**

2.9 **Limitations of work:** The Board **recommends that the status quo be maintained.**

2.10 **Tools and equipment:** The Board **recommends that the status quo be maintained.**

### **3. Wages**

Apart from being guided by the parameters contained in S.47 of the Industrial Relations Act as stated earlier, the Board has given particular attention to the following factors:

- The creation and protection of employment, especially in the present context of relatively high unemployment;
- The erosion of purchasing power since the last revision of the sector in 1992;
- The context and prospects in which the enterprises falling under the Remuneration Order proposed by the Board are evolving;
- The well-established principle of wage determination on a sectoral basis governing the Board’s action, that is fixing of a minimum wage according to the prosperity and the paying capacity of each sector.

In the light of the above, the Board came up with the following recommendations:

<b>CATEGORY OF WORKER</b>	<b>BASIC WAGES</b>	
	<b>MONTHLY (Rs)</b>	<b>DAILY (Rs)</b>
Supervisor		
1 <sup>st</sup> Year	6190	
2 <sup>nd</sup> Year	6330	
3 <sup>rd</sup> Year	6470	
4 <sup>th</sup> Year	6665	
5 <sup>th</sup> Year	6860	
Farm Worker Grade I	5760	221.54
Farm Worker Grade II	4580	176.15
Watchperson	5670	218.08

#### **IV. Acknowledgement**

The Board extends its thanks to:

- (i) all parties and other institutions or persons who, through their representations, depositions and cooperation, have greatly contributed to help the Board reach the present proposals;
- (ii) the members of the staff for their invaluable collaboration characterized by their relentless effort, praiseworthy commitment and professional approach; and
- (iii) the members of the supporting staff for their contribution in the recording of minutes of proceedings and making same available for reference.

21 January 2008