

# 1. INTRODUCTION

1.1 The Pay Research Bureau (PRB), an Independent Institution, is mandated by Government to carry out periodic reviews on Pay & Grading Structures and Conditions of Service in the Public Sector and the Private Secondary Schools. The PRB submitted its 7<sup>th</sup> Report in October 2012 and Government gave its approval for its implementation in *toto* with effect from January 2013.

## Background

1.2 Following the publication of the 2013 PRB Report in October 2012, there was an outcry among public sector employees. The Federations and Unions protested strongly and made representations that the Errors, Omissions and alleged Anomalies arising out of the 2013 PRB Report should not be looked into by the PRB but instead by an Independent Body/Commission. In view of concerns expressed and the ensuing criticism with relation to certain recommendations contained in the 2013 PRB Report, the Government on 16 November 2012 decided to set up an independent committee under the chairmanship of Mr Manraj to look into errors, omissions & anomalies arising out of the 2013 PRB Report.

1.3 The Errors, Omissions & Anomalies Committee (EOAC) was, therefore, set up with the following Terms of Reference:-

- (i) receive through the Ministry of Civil Service and Administrative Reforms (MCSAR) representations from staff associations, trade unions, public officers, local government officers, officers of the Rodrigues Regional Assembly, officers employed by parastatal and statutory bodies and employees of private secondary schools and/or their representatives regarding errors, omissions and alleged anomalies arising out of the recommendations made in the 2013 PRB Report;
- (ii) examine such representations and make recommendations thereon, as appropriate; and
- (iii) determine in light of such representations the extent to which it is appropriate, necessary and advisable to modify the Reports of the PRB and to accordingly make such other additional recommendations.

1.4 In making its recommendations the Committee had to take into consideration the broad parameters as laid down at paragraph 1.4 of Volume I of the 2013 PRB Report.

1.5 The EOAC Report was released in March 2013. Initially, the Report was widely acclaimed by the Federations of Trade Unions and the public sector employees. The Cabinet gave its approval for implementation of the EOAC Report for:

- (a) the effective date of implementation of the recommendations contained in the Report to:
  - (i) take effect in respect of salaries, on 1<sup>st</sup> July 2013 and arrears for the period 01 January to 30 June 2013 be paid in cash in July 2013 and instead of the grant of Special Leave as recommended in the Report;
  - (ii) ensure that Conditions of Service already recommended in the 2013 PRB Report to take effect on 01.01.13 while new Conditions of Service recommended in the Report would take effect on January 2014;
- (b) payment of salaries was phased in three stages: 01 January 2013, 01 January 2014 and 01 January 2015;
- (c) the EOAC further recommended that the next Review of Pay and Grading Structures and Conditions of Service in the Public Sector should be effective as from 01 January 2016 because it is viewed that the practice of publishing a Report of this magnitude once every five years impacted negatively on recurrent expenditure, inflation and other economic indicators.

1.6 The publication of the EOAC Report was followed by a series of protests expressed by aggrieved individual/public officers, trade unions and Federations of Trade Unions. Many employees concerned complained that the parity that existed previously in the Report has been disturbed whereas some others pointed out a distortion in certain hierarchies/cadres. A close scrutiny has revealed the extent to which those recommendations had given rise to problems.

1.7 For the upper echelon, that is, for those officers eligible for chauffeur-driven car, their salary was maintained whereas for the lower echelon, the revision was quite significant.

1.8 The general 'constat'/observation was that internal as well as external parity have been severely disturbed. For instance, promotional grades have been granted the same salary point as their source grades. The Qualification Bar (QB) has been removed from the salary scale of a few grades implying that employees not possessing the required qualification would also be allowed to move up to the top of the salary scale. These employees who are qualified felt rightly to be downgraded and considered the situation to be unfair towards them as they had put in supplementary efforts and sacrifice which have not been recognised. They have, consequently, suggested that the QB be reinstated. In addition, well set parities between certain grades have become blurred, leading to frustration, inasmuch as the difference in responsibility and complexity of the work have not been taken into consideration and these are not reflected in the recommended salaries.

- 1.9 It has also been observed that certain grades have been upgraded without any justification and this has caused major distortion in the salary relativity. Similarly, certain other grades have been added to the list of grades eligible for 70% duty free facilities without a proper survey being carried out or systematic study to determine their eligibility for such benefits. The recommendations regarding travelling and car benefits were strongly criticised given that many officers who with the 2013 PRB Report were eligible for travelling benefits found their eligibility for such benefits deprived with the EOAC Report. There are other cases which have been highlighted in the appropriate volumes of this review exercise.
- 1.10 All these problems prompted public sector employees to make massive representations to the Bureau and to the MCSAR with a view to taking corrective actions. In the face of widespread discontentment in the public sector, the Government decided to set up a Committee under the Chairmanship of the then Senior Chief Executive of the MCSAR, to look into representations arising out of the EOAC Report 2013.
- 1.11 The Committee examined all the issues and addressed only those pertaining to:
- (i) reinstatement of Conditions of Service related to eligibility for car allowances and benefits and some other benefits;
  - (ii) harmonisation of certain Conditions of Service;
  - (iii) harmonisation of salary in respect of grades on the establishment of the Civil Service and Rodrigues Regional Assembly; and
  - (iv) revision of salaries of part-timers.
- 1.12 The Committee further recommended that the following issues which could not be addressed be referred to the PRB for consideration in the context of the 2016 Report:
- (i) representations on salaries consequent to genuine errors or omissions; and
  - (ii) adjustment of salary and review of organisation structures (merger of grades, upgrading of qualification requirements, splitting of merged grades to their former positions, creation of levels, etc).

It is against such a background that this Report has been kicked off.

## **Strategy**

- 1.13 Despite the shortcomings, the Bureau put forward a strategic plan which established the overall direction and orientation of this Report. We have identified a theme aligned with the main philosophy of the Government's programme and vision to construct a modern and professional public sector to serve and protect the interest of the whole population.

## **Transformation of the Public Sector**

- 1.14 The theme “Transformation of the Public Sector to meet citizens’ needs, non-citizens’ needs as well as other stakeholders needs” became the basis for putting in place the strategic direction we wish to achieve in this Report. The theme was brainstormed with staff of the Bureau and discussed with all stakeholders during consultations.
- 1.15 This 8<sup>th</sup> Report is being written in the context of the new Government’s programme that put emphasis: creation of jobs, reducing poverty on new technological development, a modern and advanced education and health systems, the right to information, improved water distribution, food security, among others, leading to a modern public sector meeting the needs of citizens and improving the delivery mechanisms for providing more professional and better services to the common man. In short, this Report is putting the base to achieve the Second Economic Miracle.
- 1.16 To achieve these objectives, the Bureau is recommending a new set of measures. Emphasis on effective recruitment in the public sector is being made to ensure that the best and meritorious persons are selected for holding specific posts. The importance and use of technology and innovation (Digital Connectivity) is being highlighted as well as training and development of employees, their succession plan leading to a proper career path/career earnings and a compensation policy based on their qualifications, duties and responsibilities and position in their organisations. The need for a healthier working environment is also being emphasised to build that culture of enhanced performance. All these issues are discussed lengthily in separate chapters of this Volume.

## **Considerations**

- 1.17 The Bureau has discussed with the main Federations and other stakeholders and based its recommendations on the theme as spelt out at paragraph 1.14 above while taking into consideration the following factors:
- the first time a report of this magnitude is being published within a period of three years; no reasonable time gap has been allowed to implement the 2013 PRB Reports;
  - the specific context of a New Government having a new programme putting emphasis on constructing a modern and professional public sector;
  - the need to utilise the available human resources in a more strategic way;
  - the need to attract the most suitable talent to the public sector;
  - the capacity of Government to pay, the turbulent economic environment and the social acceptability of the Report;

- a comprehensive pay package that is linked to promoting efficiency, accountability, productivity and economy through rationalisation of structures and improved conditions of service while taking into account the loss of purchasing power since 01 January 2013 and the salary compensation granted by Government for the years 2015 and 2016;
- the need to observe fiscal discipline while putting emphasis on efficiency, accountability, responsibility, transparency and good governance;
- the recommendations geared towards the best global practices and their adaptability and reliance in the Mauritian context;
- the need to have a public sector run on the principles of value-based ethics, enlightened leadership and human ground development to the extent possible; and
- the pay structure has ensured, to the extent possible, that employees do not suffer economic hardships so that they can deliver and render the best possible service to citizens of this country.

- 1.18 The Bureau has received many representations both from staff side and Management on so-called anomalies. As stated earlier, many have their roots not in the recommendations made in the 2013 PRB Report, but in the subsequent modifications brought in by the EOAC Report. Whenever possible, the Bureau has removed these anomalies taking into consideration its remit and framework. Employees at all levels have made representations for a significant increase in their home pay and improvements including benefits.
- 1.19 The main themes of this Report: recruitment, career path, continual training and development of employees, the workplace environment and the use of the modern technology as well as the need for good governance, transparency, accountability and responsibility have been spelt on in the many chapters of Volume 1 of this report.
- 1.20 The Chapter on Performance Management Systems (PMS) and the Performance Related Incentive Scheme (PRIS) has been reviewed and improved to respond to submissions made thereof.
- 1.21 It is the role of Government to inspire confidence in mind of public sector emphasizing that they will not be hounded by unnecessary harassments by investigating bodies/media. The recent events of hounding officers as criminals for failures of bonafide decisions is being felt badly. This will discourage officers to take bold decisions in fear of being hounded if such a decision misfires. Any mishap should not be looked upon with suspicion unless it has proved to be criminal intent to transit himself or someone else.

## **Implementation Process and Post Review Mechanism**

1.22 The revised salaries provided in this Report will take effect from 01 January 2016 in accordance with the Master Salary Conversion table as at **Annex** to this volume. All the recommended salary scales are segments of the Master Salary Scale which is provided hereunder:

**Rs 7800 x 200 - 8000 x 205 - 8820 x 230 - 10200 x 250 - 11450 x 260 - 14050 x 275 - 15150 x 300 - 15750 x 325 - 17700 x 375 - 19575 x 475 - 21950 x 625 - 23200 x 775 - 32500 x 925 - 37125 x 1225 - 40800 x 1525 - 49950 x 1625 - 62950 x 1850 - 68500 x 1950 - 74350 x 2825 - 80000 x 3000 - 95000**

1.23 Following the publication of the Report, the Bureau shall assist in the implementation thereof by providing the interpretation of the recommendations made. Cases of genuine errors and omissions shall, thereafter, be addressed.

### **Option**

Following the publication of this Report, Public Sector employees would be required to exercise their option between accepting the revised salaries and conditions of service or to retain their 2013 salaries and conditions of service. The responsibility for distribution, collection and monitoring of the option forms rests with the MCSAR.

1.24 It is worth noting that according to the prescription of the Employment Relations Act, the revised emoluments and terms and conditions of service of the 2016 Report once opted for, cannot be the subject of an industrial dispute.

1.25 Those Public Sector employees who have not opted for the revised salaries and conditions of service as recommended by the 2016 PRB Report should be paid compensation in accordance with the Additional Remuneration (2016) Act 2015

- Pay Structures
- Pay Policy
- Major changes including new proposals in Conditions of Service.

## **A brief note on the main Public Sector Organisation**

### ***Civil Service***

1.26 The services offered by all Ministries and Departments are covered in the Civil Service. The pay packages provided to all public sector employees/workers have been worked out taking into consideration the factors as enunciated in the Chapter on Pay Considerations. Grades have been created solely on functional needs basis. We have devised a new mechanism to continue, if need be, to retain people particularly in scarcity areas and where there exists a tendency of exodus.

### ***Parastatal Bodies***

- 1.27 There are 92 parastatal bodies as well as the private secondary schools falling under the purview of the Bureau. We have, in this Report, formulated recommendations for appropriate levels matching the needs and functions of the different organisations, for effective service delivery. Wherever desirable, we have provided for delayering of structures and merging of grades for speedy decisions while ensuring adequate career progression for employees. We have also, in light of changes in the structure of general services in the Civil Service, brought changes to the structure in PSBs for an alignment to the extent possible.

### ***Local Authorities***

- 1.28 Most of the recommendations made in the 2013 PRB Report have been implemented. In this review exercise, we are making provisions, to the extent it is possible, for aligning the structures of the General Services cadre, Internal Control cadre as well as the Financial Operations and Procurement and Supply cadres with what obtain in the Civil Service. Provisions have also been made for training and development opportunities.
- 1.29 Specific provisions have been made for career earnings to certain grades and to reinforce where relevant the organisation structure of Divisions/Sections/Units. Schemes of service of grades, wherever applicable, have been aligned with their counterparts in the Civil Service.

### ***Rodrigues Regional Assembly***

- 1.30 A few structures have been reviewed and modernised so as to fit the new sets of expectations in line with the new policy framework and direction. The General Services grades have been streamlined, where deemed expedient, along what is obtainable in the Civil Service.

### **Frequency of Pay Review/Periodicity of Report**

- 1.31 In 1982, the Bureau published its first Report with recommendations for new salary scales and it gave a broad indication of major changes in the conditions of service in the Public Sector. In the years 1987, 1993, 1998, 2003, 2008 and 2013, subsequent Reports were published on a quinquennial basis on the overall Review of the Pay and Grading Structures and Conditions of Service in the Public Sector and the Private Secondary Schools. This is the first time that a Report is being published after a period of three years only following a recommendation of the EOAC.
- 1.32 However, we have noted that, following a major review exercise involving heavy financial costs, an appropriate time lag needs to be allowed to implement and assimilate the recommendations to measure the effectiveness and impact on the service delivery and efficiency of institutions. In this respect, the publication of a Report of such a magnitude within a period of three years has impeded the process leading to assessment of efficiency of institutions. The Bureau,

therefore, had consultations with the Government on this issue and **recommends that the next Review of Pay and Grading Structures and Conditions of Service in the Public Sector should be effective as from 01 January 2021.**

### **Presentation of the 2016 PRB Report**

- 1.33 The 2016 PRB Report comprises two volumes:
- **Volume 1** covers the General Background and Related Issues and Conditions of Service. It also contains core chapters like Public Sector Management Reforms, Training and Development, Retirement and Retirement Benefits, amongst others.
  - **Volume 2** consists of four parts where each Part deals with a specific sector of the wider Public Sector:
    - Part I : Civil Service
    - Part II : Parastatal and Other Statutory Bodies and the Private Secondary Schools
    - Part III : Local Authorities
    - Part IV : Rodrigues Regional Assembly

### **Layout of this Volume**

- 1.34 Chapter 1 provides an overview of this volume. In addition, it also gives an indication of the strategic objectives as well as the background against which the Report has been prepared.
- 1.35 Chapters 2 to 17 deal with the approach and methodology used for this Report, the economic background, the major pay considerations in determining salary, Public Sector Management Reforms, PMS, Training and Development, and Public Service Pension, among others. The Conditions of Service governing the public sector have been discussed at Chapter 18 and at Chapter 21 we have provided guidelines for implementation and a post review mechanism followed by a discussion on other pertinent issues.

### **The Way Forward**

- 1.36 The overriding objective of this Report is the improvement in the effectiveness and efficiency of the service with a view to providing quality services to all stakeholders.
- 1.37 In this perspective, it is believed that employees should play the role expected from them to materialise this objective. On their part, authorities/organisations should provide the proper environment which will induce desired employee behaviour for the achievement of the objective.

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