

CONGRESS OF INDEPENDENT TRADE UNIONS

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MEMORANDUM

Salaries Compensation 2024

Salaries Compensation is always payable as from January the coming year to compensate for the rise in the Consumer Price Index for the preceding year. Already this is an anomaly that needs to be corrected as workers are compensated after they have already incurred additional expenses

Protection of Consumers Rights

While the payment of a Salaries Compensation is to improve the purchasing power of workers, unfortunately many traders take advantage of such a measure to make an abuse on consumers

- (a) Although the law is clear regarding affixing of prices, many shops including markets do not always do so.
- (b) while Government is subsidising the price of flour, bread called "pain maison" whose price is controlled, is not to be seen after 7.30 am in a lot of Bakeries. Instead " Pain Baguette " is sold to the public at different prices meaning that subsidies are diverted into the pockets of traders.**
- (c) Several products on sale like vegetables, household items and fruits are of not always of good quality.**
- (d) While noting that the number of Consumer Affairs Officers have recently increased to 30, this number should, nevertheless, be more than doubled in order to cope with the increasing number of shops, supermarkets, filling stations, bakeries and other outlets.**
- (e) An aggressive campaign should be launched to create awareness on the rights of consumers.**
- (f) Subsidies on pesticides and fertilizers are meant to benefit local consumers not businessmen nor consumers in other countries.**

For example, onions produced locally are more expensive than imported ones and sold up to Rs 70.00 a pound, pineapples cost up to Rs125.00 per unit in Mauritius as compared to UK where it is sold at Rs 55.00 per unit

- (g) Several commodities in different supermarkets bear different prices (the question is whether the maximum markup is applicable in those cases)**
- (h) Legislation relating to unfair advertising campaigns luring consumers should be reviewed to better protect consumers.**
- (i) Appropriate actions should be taken to tighten the legislation and increase fines to deal with dishonest traders. This will not only serve as a deterrent but also send a strong signal to dishonest traders.**
- (j) The Profiteering Court should be reinstated**

Honouring of financial obligation towards the MRA

If businesses, self employed, and professionals honour their obligation vis a vis the MRA, it would help to alleviate the burden of wage earners specially the middle class as well as those in the low-income group and help to increase their purchasing power

Payment of Salaries Compensation

The economy has picked up momentum, after a period of stagnation with the advent of the Covid 19 Pandemic, specially with the financial assistance of the State, in particular the Wage Assistance Scheme and other supporting measures provided to employers by the Government.

National Minimum Wage Scheme

Even for the introduction of the National Minimum Wage, Government came with measures to support them by topping up to reach a guaranteed income. This is financed by taxpayers money

**Unemployment Rate 9.2% in 2020 ---- 8.1% in 2022 --- 6.3% in 2023
(The reasons for this decreasing trend are not only due to the creation of employment but also as a result of circular migration of Mauritians encouraged by the authorities as well as import of foreign workers on account of an ageing population)**

Wage Rate Index

Though wages have been improving in nominal terms wages have in fact deteriorated in real terms

Employment of migrant workers have increased considerably

Real GDP Growth has accelerated from 3.4 % in 2021 to reach a figure of 8.9 % in 2022 and is expected to stand at 6.8% in 2023

Growth Performances

Tourist arrivals which were around 997,300 in 2022, are expected to reach 1.3 million in 2023.

The “Financial and Insurance Activities” sector has witnessed a growth of 5% during Financial Year 2022-2023 and growth in the Construction as well as in the wholesale and retail trade and the information and Communication has improved.

Labour productivity growth has keep on increasing since the year 2020 to reach 6.3 % in 2023

Proposal for Salary Compensation 2024

As the CPI does not reflect the reality on the ground and since salaries compensation is paid effective one year after prices have increased, the need is strongly felt that the Compensation payable should be higher than the CPI rate which should also be accompanied by a series of measures as mentioned above in order to safeguard the purchasing power of workers and the population at large.

Our proposal on the payment of salary compensations is found in the Joint Memo submitted by AEC, CSG Solidarity, CITU and CFTU.

**R. Sadien MSK
President**

**M. Bawmy
Secretary**

6 December 2023