Ministry of Social Integration, Social Security and National Solidarity

(Social Security and National Solidarity Div)

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Focus Area: Economic Security
The following Legislations and Policy guarantee the minimum essential level of enjoyment of economic, social and cultural rights of older persons: -National Pensions Act -Social Contribution and Social Benefits Act -National Savings Fund -Social Aid Act -Carers' Allowance -Grant for Assistive Devices -Domiciliary Visits • **National Legal and Policy Framework resources** ➢ Section 109 of the Workers' Rights Act (WRA) makes provision for **Gratuity on retirement** whereby a worker , governed under a private pension scheme who has been in continuous employment with his employer for a period of 12 months or more, be paid a gratuity when the worker retires voluntarily either on or after attaining the age of 60 or due to medical reasons.

- Furthermore, a **Portable Retirement Gratuity Fund (PRGF)** has been introduced under Part VIII of the WRA. The objective of the Fund is to ensure that a worker who retires benefits from the payment of a retirement gratuity for his length of service with the current employer at the date of coming into operation of the Fund as well as for his length of service with any future employer. The PRGF is applicable to those workers who are not covered by a private pension scheme and to atypical workers which includes *older persons*.

- Section 89 of the WRA makes provision for a Portable Retirement Gratuity Fund and provides for the payment of a gratuity –
  (a) to a worker, on his retirement;
  (b) to the legal heirs of a worker, on the death of the worker;
  (c) to a self-employed who has contributed to the Portable Retirement Gratuity Fund, on his retirement; or
  (d) to the legal heirs of a self-employed who has contributed to the Portable Retirement Gratuity Fund, on the death of the self-employed.

- The notion of **Work from Home** has been encapsulated in our legal framework. The new Workers' Rights (Working from home) Regulations 2020, which is effective since 01 September 2020, makes provision for teleworking and flexible working agreement whereby a worker can work from home and in a more flexible manner. The above measures have been brought to help working parents as well as *elderly persons* to simultaneously fulfill their family responsibilities.

- **The Wage Guarantee Fund Account** (WGFA) has been set up under section 40 of the WRA. The purpose of the WGFA is to pay remuneration due to a worker up to an amount of 50,000 rupees and any amount due as may be prescribed in relation to the PRGF where contributions have not been made. These payments are effected where an enterprise in which the worker is employed is considered to be insolvent by the Supreme Court. This provision is applicable to older persons also.

- The WRA also offers greater safeguards to workers by stipulating that any amicable settlement (**compromise agreement**) between parties in resolution of a dispute regarding termination of employment or short payment or nonpayment of wages is only valid where the worker has been allowed to seek advice from a relevant independent adviser who, inter-alia, may be a qualified law practitioner, an officer or member of a registered trade union, or an officer of the Ministry of Labour, Human Resource Development and Training before signing the agreement.

A striking feature of the social assistance landscape in Mauritius is the number of programmes involved in the provision of social protection. Basic Pensions are the largest non-contributory programme in Mauritius and are guaranteed through the National Pensions Act 1976. Provision is made that any person, who has attained the age of sixty, is qualified to receive a basic retirement pension. Overall, it makes it compulsory that a basic pension is paid as follows thus ensuring the right to an adequate standard of living:

- Rs 9,000 is paid to a person aged 60 and 90 years;
- Rs 16,710 is paid to a person aged 90 years and below 100 years; and
- Rs 21,710 is paid to a person 100 years and above.

Alternatively, to allow the implementation of the Marshall Plan, a project dedicated to the poor, marginalized and those left behind, a new Social Integration and Empowerment Act 2016 was introduced. This Act provides for the setting up of empowerment programmes and schemes so that persons living in absolute poverty can integrate the mainstream society and improve their quality of life in a sustainable manner.

How is poverty defined in the national policy framework?

Based on the latest Statistics Mauritius Report, the poverty indicators for Mauritius are as follows:

(i) The International Poverty Line (Extreme Poverty) refers to US $1.90 (PPP) a day per person - the line is equivalent to Rs 1,245 per month per person in 2017.

(ii) The proportion of the population living below the international poverty line is less than 1%.

(iii) Mauritius does not have a national poverty line. However, on the basis of household survey data, a Relative Poverty Line (RPL) is derived to assess poverty situation in the country.

(iv) The RPL is set at half of the median monthly household income per adult equivalent and is estimated at Rs 7,509 in 2017 as per the 2017 HBS.

(v) The RPL is used as a Proxy indicator and the proportion of population below Relative Poverty Line (RPL) stands at 10.4% as per the 2017 HBS.

(vi) Poverty rate is number of persons in relative poverty (below the RPL) per 100 population which is based on household income such as income from work, Government transfers, property and income from own produced goods.

- ➢ The Poverty rate by sex as per the 2017 HBS is as follows:
  - Male =9.7
  - Female =11.1
- ➢ The poverty rate by age group as per the 2017 HBS is as follows:
  - Youth (15-24 years) = 12.9%
  - Adult (15 years and over) = 8.7%

A National Poverty Reduction Framework, a Marshall Plan against Poverty has been adopted in 2016 to eliminate absolute poverty and put a halt to intergenerational transfer of poverty. For the purpose of the Marshall Plan, new absolute poverty thresholds have been introduced based on a minimum of Rs 2,720 per adult and a maximum of Rs 9,520 for a family of 2 adults and 3 children. The poverty thresholds introduced in 2016, were calculated at 40% above the international poverty line as prescribed by the World Bank equivalent to Rs 1,938 per person per month for developing countries as compared to the Rs 2,720 per adult per month. As from July 2021, the absolute poverty thresholds were increased based on a minimum threshold of Rs 3,000 and a maximum of Rs 10,500 per adult.

What are challenges faced by older persons living in poverty, including the impact of intersectional discrimination and inequality based on age, gender and other grounds?

Population ageing is a major global trend that affects all countries and, at the same time, reflects significant achievements of human development such as improved health, greater longevity and lower mortality.

The 2030 Agenda for Sustainable Development also sets out a universal plan of action to achieve sustainable development in a balanced manner and seeks to realize the human rights of all people. It calls for leaving no one behind and for ensuring that the Sustainable Development Goals (SDGs) are met for all segments of society, at all ages, with a particular focus on the most vulnerable, including older persons.

What data, statistics and research are available regarding older persons living in poverty?

As per the latest Poverty Analysis Report 2017, the following are to be noted:

- Compared to all age groups, poverty was significantly lowest among old people aged 60 years and over – the poverty rate among the old was 4.3%, much lower than 10.4%, the average among all age groups
- In 2017, the poverty rate for households without elderly (12.9%) was significantly higher than that for households with elderly (5.2%).

- From 1996/97 to 2017, the situation of households without elderly deteriorated – their poverty rate increased from 7.6% to 12.9% while that of households with elderly improved significantly.
- Basic Retirement Pensions (BRP), also called old age pension, represents a huge share in the total Government spending on Government transfers. Without the BRP only, poverty rate in 2017 would have been 20.4% instead of 9.6%. The impact among households with elderly persons would have been even more – their poverty rate would have been 30% instead of 5%.
- As from 2005, free bus transport is being granted to elderly people (aged 60 years and over), disabled people and students. Without free bus transport, the 2017 poverty rate would have been 10% instead of 9.6%