

# THE WORKERS' RIGHTS ACT 2019 (REMUNERATION)

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# REMUNERATION

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## DEFINITIONS

**Remuneration** - all emoluments in cash or in kind, earned by a worker under an agreement including any sum paid by an employer to a worker to cover expenses incurred in relation to special nature of the work and any money due as a share of profits.

**Emoluments** – any payment in money or money's worth which is salary, wages, leave pay, fee, overtime pay, perquisite, allowance, bonus, gratuity, commission or other reward or remuneration, by whatever name called.



# EQUAL REMUNERATION – EQUAL WORK (s.26 – employees)

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- Remuneration of employee not less favourable than another performing work of equal value.



- Remuneration based on job evaluation and NOT employee's sex or personal attributes.

# EQUAL REMUNERATION – EQUAL WORK

## (s.26 – employees)

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- Where employer has recourse to the services of a job contractor, the latter shall ensure that the remuneration of any worker employed by him shall not be less favourable than the remuneration of a worker employed by the principal employer and performing equal work. (s.26(1)(b))
- To determine whether discrimination exists, the following elements shall be considered:
  - ✓ Rates & types of remuneration based on objective evaluation of work performed and not on worker's sex or personal attributes.
  - ✓ Job classification shall be based on objective criteria irrespective of the worker's sex.

# REMUNERATION FULL TIME WORKERS (s.27 – workers)

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- Intervals of payment: Monthly or shorter period as agreed.
- A worker who is required to perform the same level of work while replacing another worker who draws a higher remuneration, the replacement worker shall be paid remuneration corresponding to the initial salary scale of the other worker or the salary drawn by the other worker as applicable (s.27(5)).

# REMUNERATION FULL TIME WORKERS (s.27 – workers)

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- If claim of non-payment of wages made to Court, employer may be ordered to pay interest  $\leq 12\%$  per annum on the amount of remuneration due from date of non-payment/short payment to payment date.

# JOINT LIABILITY ON REMUNERATION (s.29 – workers)

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- A job contractor & the principal, for whom the job contractor recruited or employed a worker, shall be jointly & severally liable for the conditions of employment and for the payment of remuneration of the worker.
- Liability of the Principal shall not exceed the amount payable to the job contractor

# REMUNERATION DUE UPON TERMINATION

## (s.31 – workers)

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- Employer to pay remuneration due on termination of agreement.
- If notice of termination is given, employer shall pay any remuneration due on or before the notice expires.
- If agreement has come to end, the employer shall pay any remuneration due on termination of the agreement.
- If employment relationship is terminated otherwise than on the ground of misconduct, any annual leave not taken shall be refunded.



# REMUNERATION SPECIFIC CIRCUMSTANCES

## (s.32 – employees)

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- Full day remuneration if employer cannot provide work or work stopped after 2 hours due to climatic conditions, power failure or machinery issues.
- Half day remuneration if due to climatic conditions, power failure or machinery breakdown, employer feels that no work can be performed or work stopped before 2 hours of work.

# REMUNERATION SPECIFIC CIRCUMSTANCES (s.32 – employees)

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- Remuneration at normal rate to worker absent due to cyclone class III or IV. Applies until cyclone warning removed and means of transport provided by employer or public transport available.



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- For work performed during cyclone class III or IV, an allowance of 3 times the basic hourly rate in respect of each working hour and adequate free meals shall be provided to the worker in addition to any remuneration due to him.

# REMUNERATION SPECIFIC CIRCUMSTANCES (s.32 – employees)

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- No remuneration to worker for period where –
  - ✓ worker is in lawful custody;
  - ✓ worker is in reform institution; or
  - ✓ worker is going to, attending or returning from any Court (except if worker is attending Court as a representative of the employer).

# RESTRICTION ON DEDUCTIONS

## (s.34 – employees)

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- Deduction possible by employer if:
  - ✓ authorised by worker in writing which is due to employer in recovery of advance made on basic wage (deduction shall not exceed  $1/5$  of basic wage due) or an amount to be deducted to pay/contribute to any fund, body or other institution.
  - ✓ Deducted as per an enactment or Court order.



# RESTRICTION ON DEDUCTIONS

## (s.34 – employees)

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- No deduction exceeding  $\frac{1}{2}$  of worker's remuneration.
- No deduction due to fine or compensation for poor performance or damaged caused to employer's property, as a direct or indirect payment for obtaining or retaining employment or by way of discount, interest or any charge on account of any advance or remuneration made to worker.

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