



**Republic of  
Mauritius**



# **MAURITIUS' EXPERIENCE IN REDUCING POVERTY AND INEQUALITY**

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**New York**



# Background

- ❖ **Over 50 years** of nation building
- ❖ Mauritius has a **well-established welfare system**:
  - ✓ **Free education** from pre-primary to tertiary level
  - ✓ **Free public transport** for students, elderly and disabled
  - ✓ Universal **free healthcare** system
  - ✓ Every citizen is entitled to a **non-contributory old age pension**
  - ✓ **Pensions to vulnerable groups** – widows, *autrement capable*, orphans
- ❖ Absolute poverty, as per World Bank's definition, is **negligible** in Mauritius
- ❖ Around 10% of our population live in Relative poverty (homegrown indicator)
- ❖ **Gini coefficient** – from 0.414 in 2012 to 0.400 in 2017

# *Marshall Plan Against Poverty*

- ❖ **Adopted in 2016** – to scale up our efforts in eliminating poverty
- ❖ Emphasis is on empowerment, promotion of inclusive growth and facilitate social progress
- ❖ Main focus – empowerment programmes, increased access to education and access to a decent home, with running water, electricity and proper sanitary amenities
- ❖ Targeted programme with set eligibility criterion to access social assistance
- ❖ Families are registered on the **Social Register for Mauritius (SRM)** and are required to enter into a social contract.
- ❖ **Subsistence allowance** to increase monthly income
- ❖ As at end April 2020, **10,300 households** were registered on the SRM, comprising 40,000 beneficiaries
- ❖ Since adoption in 2016 to March 2020, around **Rs 762 million** have been disbursed

## Women Empowerment

- A number of **training and entrepreneurial programmes**, especially for women and the youth.
- An average of **8,000 beneficiaries** are supported.
- **Crèche Allowance** introduced to allow mothers with infants become economically active.
- Since 2017, some **50 families** have benefitted from the crèche allowance.
- Many of our **SMEs are women-led**.
- **Private sector**, through the **National CSR Foundation**, support these initiatives financially, including assisting **NGOs** to build capacity and empower families and individuals registered under the SRM.

## Social Housing

- Housing loans at concessionary rates

## Improved Access to Education

- **Child Allowance** – around 13,000 students were targeted in FY 2019/20
- **Purchase of school material** – a total of Rs 73 million was disbursed in FY 2019/20 to some 19,000 children
- **Free examination fees**
- **School Premium Scheme:**
  - Todate, some Rs 21 million has been disbursed to **748 students** whose families are registered under the SRM and who have successfully completed the SC and HSC examinations in 2017, 2018 and 2019.
  - As of July 2019, the **scheme is being extended to tertiary students** as well.
- **Free broadband internet facilities** to allow children access online classes and leave no one behind
- **Zones d'éducation Prioritaires (ZEP)** project – **daily hot meal** to each pupil

# Other Measures

- **Negative Income Tax –**
  - introduced in 2017
  - To **reduce inequality** and provide **financial support to low-income** employees
  - Some 75,000 employees benefit from the scheme.
- **National Minimum Wage –**
  - Introduced in 2018
  - To ensure all workers, **both foreign and domestic**, are paid above the poverty line and **reduce gap with the highest paid workers**
  - Scheme created a new dynamic and increased purchasing power of those of the bottom bracket
  - Approximately 120,000 workers, that is **28% of the total labour force** are entitled to the minimum wage
- Monthly **old age pension** to all those aged 60 years and above, has been increased three times since 2018. It has been aligned to the national minimum wage.