

NATIONAL EMPLOYMENT POLICY FOR MAURITIUS

2024 - 2028

MINISTRY OF LABOUR, HUMAN RESOURCE
DEVELOPMENT AND TRAINING

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List of Acronyms

AI – Artificial Intelligence
EICs - Employment Information Centres
FDI – Foreign Direct Investment
HRDC- Human Resource Development Council
ICT – Information and Communication Technology
ILO – International Labour Organisation
MEF - Monitoring and Evaluation Framework
MITD - Mauritius Institute of Training and Development
MLHRDT - Ministry of Labour, Human Resource Development and Training
M&E – Monitoring and Evaluation
MSMEs – Micro, Small and Medium Enterprises
NAP - National Apprenticeship Programme
NED - National Employment Department
NEP – National Employment Policy
NGOs - Non-Governmental Organisations
NMW – National Minimum Wage
NMWC – National Minimum Wage Council
PMO- Prime Minister’s Office
PWDs - Persons with Disabilities
SSC - Sector Skills Council
SWOT – Strengths, Weaknesses, Opportunities and Threats
TVET - Technical and Vocational Education and Training
WfH – Work from Home
WRA - Workers’ Rights Act

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Executive Summary

The National Employment Policy (NEP) 2024-2028 for Mauritius is consistent with the new generation of National Employment Policies (NEP 2.0)¹ and sets out a comprehensive framework designed to address key challenges and opportunities in the country's labour market. The adoption of the NEP lays the foundation for the ratification of the International Labour Organisation (ILO) Convention No. 122 on Employment Policy. It aligns with the objectives of Convention No. 122 by demonstrating Mauritius' commitment to promoting full and productive employment, addressing labour market challenges, fostering decent work opportunities social progress, human rights and human dignity.

Another fundamental element of the NEP is its alignment with national development strategies. By integrating with overarching national development agendas, the NEP ensures a cohesive approach towards achieving inclusive development. Furthermore, the NEP derives its policies and recommendations from detailed sectoral plans. This strategic alignment allows for a tailored approach to address specific labour market challenges within different sectors of the economy.

A mixed methodological approach is adopted with the use of both quantitative and qualitative data and methods. Secondary data was collected from different surveys carried out by Statistics Mauritius and from the Ministry of Labour, Human Resource Development and Training. Social dialogue played a crucial role in shaping the NEP, with continuous consultations held with stakeholders throughout the formulation process. A total of 85 in-depth interviews were conducted with representatives from ministries, the private sector, Non-Governmental Organizations (NGOs), trade unions, academia, public and private training institutions, and international organisations. These interviews provided a comprehensive understanding of diverse perspectives, needs, and expectations of the current labour market situation. The skills and employment requirements in emerging sectors were also discussed. This inclusive approach, driven by data and stakeholders' inputs, ensured a comprehensive formulation of the NEP.

The vision of the NEP is to achieve decent, productive and freely chosen employment for all people of the Republic of Mauritius to improve their livelihoods and dignity.

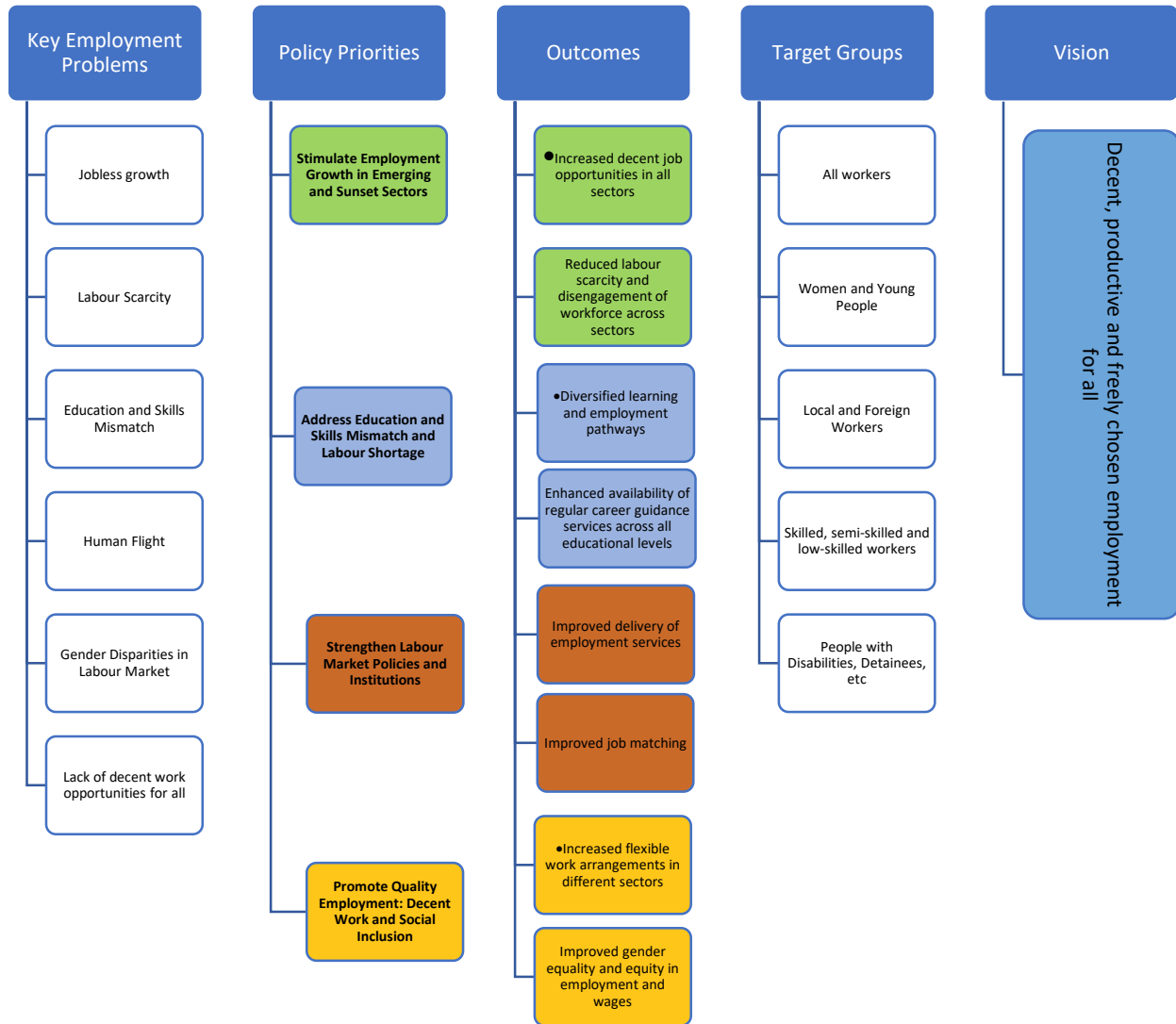
The NEP prioritises 4 policy priorities:

- 1 - Stimulate Employment Growth in Emerging and Sunset Sectors**
- 2 - Address Education and Skills Mismatch and Labour Shortage**
- 3 - Strengthen Labour Market Policies and Institutions**
- 4 - Promote Quality Employment: Decent Work and Social Inclusion**

¹International Labour Organisation (2021) Two decades of national employment policies 2000-2020 - Employment policy design: Lessons from the past, policies for the future. ILO, Geneva.

Each policy priority includes 2 outcomes which are then formulated in terms of strategies and actions that target different groups across the Mauritian society with the ultimate vision of achieving decent, productive and freely chosen employment for all.

Figure 1: The National Employment Policy Framework, Mauritius, 2024-2028



Source: Consultants' Compilation, 2024

To ensure the effective execution of these recommendations, a robust Monitoring and Evaluation (M&E) tripartite mechanism needs to be set up. This mechanism will be a tool for monitoring progress in implementing the policies outlined in the NEP document. The M&E mechanism will regularly monitor key performance indicators and milestones associated with each policy and sub-policy.

The main recommendations of the NEP 2024-2028 for the Republic of Mauritius focus on creating employment opportunities in key industries by ensuring the workforce is aligned with the evolving needs of the economy. Macroeconomic policies are crucial in shaping job markets. By aligning macroeconomic policies with the imperative of employment creation,

this will create a resilient workforce able to adapt to the evolving needs of sectors. Employment-friendly economic policy reforms adopted range from investment, fiscal, financial, and monetary to trade policies. To meet this objective, different institutions need to be strengthened. The first one is the National Employment Department (NED), which is pivotal in formulating and implementing employment policies in Mauritius. Second, the Creation of "Observatoire de l'emploi" or National Labour Market Observatory will serve as a central hub for collecting, analysing, and disseminating labour market data and conducting applied labour market research on Mauritius. This observatory will consolidate existing micro databases to ensure that policymakers and stakeholders have access to comprehensive and reliable information on labour market trends and dynamics. In addition, applied multidisciplinary research will be conducted by the observatory in collaboration with academia to generate evidence-based policies on emerging labour market challenges and opportunities.

The establishment of the Sector Skills Council (SSC) is another vital recommendation aimed at addressing skills mismatches at the sectoral level. The SSC will identify skills needs and facilitate skills development initiatives within specific industries. The composition of the SSC² includes employers, trade union representatives, professional associations, government officials, representatives from higher education, vocational training and secondary education and Careers Guidance Service. It will play a pivotal role in addressing skills gaps and shortages in emerging and sunset sectors. By conducting the comprehensive Skills Needs and Skills Anticipation Assessments, the SSC will identify the current and future skills requirements of industries such as the Blue Economy, AI/ICT, and Smart Agriculture. These assessments will inform the design and implementation of targeted training programmes and initiatives aimed at equipping the workforce with the necessary skills and competencies to thrive in these sectors.

Public universities and tertiary education institutions in Mauritius play a crucial role in equipping students with the required skills and knowledge to succeed in the workforce. To enhance the relevance and quality of education, faculties specialising in engineering, ICT, environment, and blue economy studies will be empowered with increased financial, human, and infrastructural resources. This includes investments in state-of-the-art laboratories, research facilities, and teaching equipment to support hands-on learning and research activities. The recruitment of qualified faculty members and researchers with industry experience will enrich the learning experience and ensure that curriculum content remains up-to-date and relevant to industry needs. Establishing partnerships with industry stakeholders will provide students with opportunities for internships, practical training, and industry exposure, bridging the gap between academic theory and real-world practice. Tertiary institutions can thus play a more significant role in driving innovation, entrepreneurship, and economic development in Mauritius.

The Mauritius Institute of Training and Development (MITD) provides vocational and technical training to the Mauritian workforce. To meet the evolving needs of industries and employers, MITD is to be strengthened through increased financial, infrastructural, and human resources.

² More information on the composition of the SSC can be found at:
https://webapps.ilo.org/wcmssp5/groups/public/---asia/---ro-bangkok/---ilo-jakarta/documents/publication/wcms_738640.pdf

This involves investments in upgrading training facilities, modernising equipment, and expanding course offerings to align with industry demands. Recruiting qualified trainers and instructors with industry experience will enhance the quality and relevance of training programmes, ensuring that students are equipped with the skills and competencies needed to succeed in the workforce. Collaboration with industry partners will provide MITD with valuable insights into emerging trends and technologies, enabling the development of innovative training solutions that meet industry needs. In addition, the Board of the MITD has to be tripartite with employers, representatives of trade unions, government officials, professional associations, representatives from secondary and tertiary institutions and the Careers Guidance Service.

The Careers Guidance Service unit under the Ministry of Labour, Human Resource Development and Training (MLHRDT) plays a vital role in providing career guidance and support to job seekers in Mauritius. To enhance its effectiveness, the unit needs to be uplifted with additional human resources and support. This can involve the recruitment of additional career guidance counsellors and support staff to meet the growing demand for services. Training and professional development opportunities are crucial to ensure that staff members have the necessary skills and knowledge to provide high-quality guidance and support to job seekers. By forming partnerships with educational institutions, employers, and community organisations, the unit can broaden the reach and impact of its services, offering job seekers access to a wide array of resources and support networks. The Careers Guidance Service unit needs to provide advice to secondary school students starting from Form 3 (Grade 9) on priority fields of study and job prospects in the country in the short-term, medium-term and long-term.

Further, investing in the development of a robust LMIS platform stands as a critical initiative to strengthen Mauritius' labour market infrastructure. This platform will be designed to collect and analyse labour market data from various sources, providing stakeholders with invaluable insights into employment trends, skill demands, and job vacancies. Integrating advanced job-matching AI technology into the online job portal will significantly enhance the accuracy and efficiency of job-matching services, ensuring better alignment between job seekers and available opportunities. The use of AI will also help in the collection and dissemination of labour market information. Regular updates and maintenance of the LMIS database need to be prioritised to ensure that labour market information remains current, reliable, and accessible to all stakeholders.

A comprehensive assessment of existing employment and training programmes needs to be undertaken. This evaluation will ensure that programmes are tailored to meet the diverse needs of target beneficiaries, including unemployed individuals, youth, women, and persons with disabilities. Programme design and delivery need to be revamped to offer more personalised support and training opportunities, fostering greater inclusivity and effectiveness. It is recommended that rigorous monitoring and evaluation mechanisms be put in place to assess programme outcomes and impact, allowing for continuous improvement.

Efforts will be made to consolidate and streamline service delivery for migrant workers through the enhancement of the One-Stop Shop at the MLHRDT. This one-stop shop will provide support to migrant workers, including assistance with work permits, occupational

health and safety, banking facilities, information on their rights and obligations, social security, and training to name a few. Enhanced coordination and collaboration with other government agencies and stakeholders will ensure a holistic approach to support migrant workers as well as promote their integration and well-being within the Mauritian community.

A Migrant Integration Hub/ Centre is to be established to serve as a central hub for social and cultural exchanges between migrant workers and the local community. This facility will offer a wide range of information, resources, and support services to migrant workers, including language training, legal assistance, and social integration programmes. Collaboration with local NGOs, trade unions, community organisations, and international agencies will be encouraged to leverage resources and expertise in providing support to migrant workers, ensuring their successful integration and contribution to the Mauritian society.

Altogether, this report is organised into seven sections. The introduction to the NEP is followed by a situational analysis of the Mauritian labour market. The NEP vision, goals, guiding principles and policy priorities are in the second section of the report. Section 3 then sets out the methodology used for the formulation and drafting of the NEP 2024-2028 for Mauritius. In the fourth section, the four policy priorities, outcomes strategies and actions are outlined while the fifth section proposes the policy implementation framework for the main recommendations. The report concludes with the need to establish a robust Monitoring and Evaluation (M&E) mechanism to ensure the effective implementation of the recommendations outlined in the NEP.

1. Introduction

Mauritius has experienced significant economic transformation from a low-income country (with a per head gross national income of just US \$260 in 1968), mainly based on agriculture (particularly sugar), to a relatively diversified economy. The economy has consolidated its industrial and services sectors and greater efforts are focused on developing the ocean and green economies, embracing the digital economy, accelerating the development of new and innovative sectors including ICT and financial technology, and creating employment opportunities as well as a next generation of critical thinkers and entrepreneurs to compete effectively in regional and global economies (UN, 2019)³.

To address the complex and multifaceted issues related to employment, the Ministry of Labour, Human Resource Development, and Training (MLHRDT) has embarked on the formulation and drafting of a National Employment Policy (NEP). The NEP 2024-2028 is an important entry point to ensure recovery and strengthen the resilience of the Mauritian labour market in the long run (ILO, 2021)⁴. The NEP 2024-2028 for the Republic of Mauritius is consistent with the new generation of National Employment Policies (NEP 2.0)⁵ and the Employment Policy Convention, No. 122 of 1964 as it extends beyond the traditional boundaries of employment policies and addresses broader labour market concerns. The NEP aligns with national development strategies and draws policies and recommendations from sectoral plans. It is in line with the existing government development plans, including Vision 2030 and the Government Programme 2020-2024 - *'Towards an inclusive high income and green Mauritius, forging ahead together?'* It serves as a critical bridge between the long-term aspirations outlined in Vision 2030 and the immediate priorities laid out in the Government Programme 2020-2024.

The spirit of consultation has been the driving element when drafting the NEP to ensure a strong sense of ownership amongst stakeholders. This policy document sets out a strategic and forward-thinking framework to address the multifaceted challenges and opportunities within the Mauritian labour market. It is grounded on the principles of inclusivity, sustainability, and innovation, with the overarching goal of creating an employment environment that not only responds to the needs of today but also anticipates and adapts to the demands of tomorrow. The implementation of the NEP 2024-2028 is important, even more, with the adoption of a Global call to action for human-centred socio-economic development.

2. Situational Analysis: A Brief

A situational analysis is undertaken to understand the current state of the country's labour market and employment landscape. It serves as a diagnostic tool, enabling policymakers and stakeholders to identify critical gaps and bottlenecks within the existing employment ecosystem. The analysis identifies emerging challenges and opportunities to facilitate the responsiveness of measures and actions to dynamic circumstances. By collecting and analysing both primary and secondary data, the situational analysis provides a solid

³ UN (2019) A partnership for sustainable development. Accessed at https://mauritius.un.org/sites/default/files/2020-11/Mauritius%20SPF%202019-2023_FINAL.pdf

⁴ibid

⁵ibid

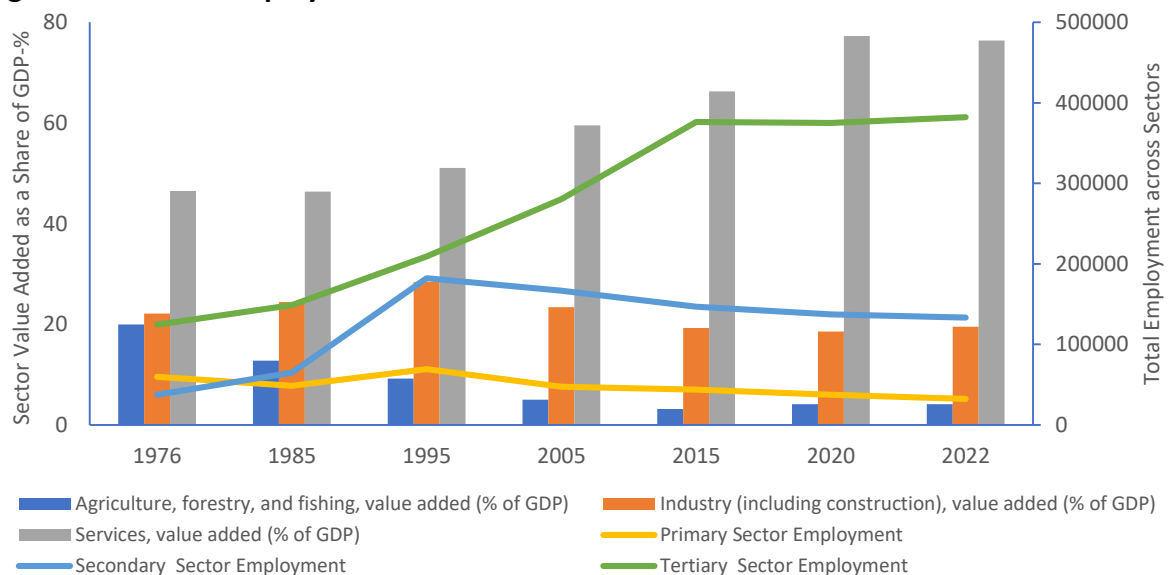
foundation for evidence-based decision-making and recommendations, ensuring that the subsequent development of the NEP is informed by a clear understanding of Mauritius' unique context. The situational analysis includes rigorous secondary data collection and primary data gathered from stakeholders' consultations. It includes diverse perspectives from varied stakeholders involved in the employment ecosystem. The adopted methodology rests on 85 interviews conducted with representatives from ministries, the private sector, NGOs, trade unions, academia, public and private training institutions and international organisations. The interviews provide a comprehensive understanding of varying viewpoints, needs and expectations⁶. The situational analysis specifies a comprehensive data-driven and stakeholder-inclusive basis for formulating and drafting the NEP for Mauritius.

A. The Labour Demand Side: Sector and Business Growth – Impact On Employment Generation

Employment Growth and Sectoral Employment

Mauritius has undergone a remarkable structural transformation, marked by a shift in the composition of employment across various sectors. The share of the primary sector to GDP has declined substantially over the years followed by a fall in the share of the secondary sector to GDP while that of the services sector has been rising, reaching 76.4% of GDP in 2022. There has been a distinct trend of services playing an increasingly significant role in providing employment opportunities. This shift reflects not only the evolution of the economic landscape but also the country's endeavours to diversify and modernise its economic activities. This sector's expansion is indicative of Mauritius transitioning towards a more service-oriented and knowledge-based economy.

Figure 2: Sectoral Employment and Value Added as a Share of GDP

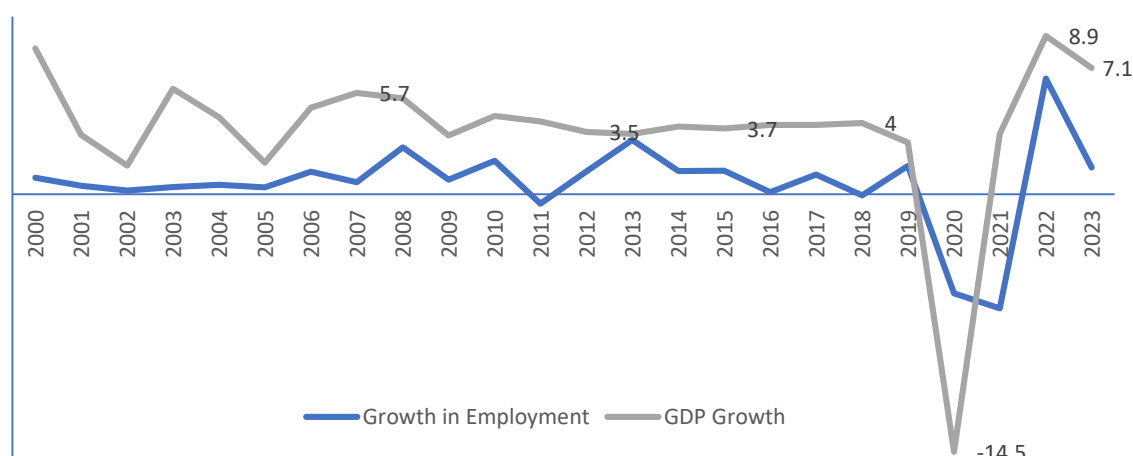


Source: Compilation from Different Reports, Statistics Mauritius, 2023

To assess the capacity of the economy to generate employment opportunities, the correlation between employment growth and Gross Domestic Product (GDP) growth is analysed. This comparison serves as a crucial indicator to evaluate the efficiency and inclusivity of economic development.

⁶ The detailed methodological approach is presented in Annexes 1 and 2

Figure 3: Employment Growth and GDP Growth, 2000-2023



Source: Compilation from Statistics Mauritius, 2023

Note: The employment figure for 2023 is estimated at 556,100 in the third quarter of 2023

The data reveals that employment growth lags behind economic growth. In addition, employment elasticities for both secondary and tertiary sectors are positive and statistically significant⁷. In contrast, the primary sector generates a negative elasticity showing that with the Mauritian economy undergoing a marked structural transformation over the past three decades, the relative importance of agriculture has declined significantly and that of manufacturing and services has increased considerably. The services sector contributes largely to GDP and to total employment. The secondary and tertiary sectors are both contributing positively to employment creation.

Table 1: Employment elasticities by economic sector, 1990-2022

	Primary sector	Secondary Sector	Tertiary Sector
GDP ₁₉₉₀₋₂₀₂₂	-0.24***	0.42***	0.47***
GDP ₁₉₉₀₋₂₀₀₀	-0.05	0.09***	0.20***
GDP ₂₀₀₁₋₂₀₁₀	-0.30***	0.42***	0.49***
GDP ₂₀₁₁₋₂₀₂₂	-0.40*	0.39***	0.46***

Notes: OLS has been used due to the small data size. The dependent variable is employment.

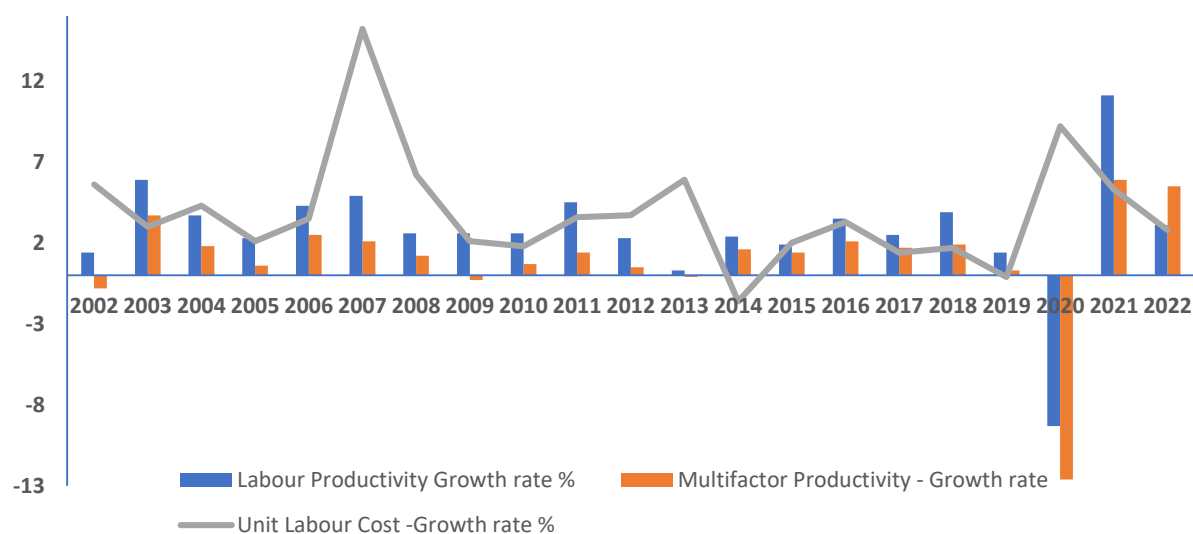
Both employment and GDP are log-differenced. The sample for the estimation is between different time periods and *** and * denote statistical significance at the 1% and 10% level respectively.

Labour Productivity

Labour productivity (measured by real output per person engaged), grew by an average of 2.0% annually for the whole economy (Statistics Mauritius, 2023). Labour productivity rose by 3.1% in 2022. Capital productivity registered an increase of 7.6% in 2022 after a rise of 2.3% in 2021 (Statistics Mauritius, 2023). The consistent growth in labour and capital productivity signifies positive economic development and effective resource utilisation. From 2012 to 2022, the average annual compensation of employees increased by 5.0% whilst labour productivity grew only by 2.0%. The trend suggests that the growth in labour compensation outpaced the growth in labour productivity, impacting unit labour costs. This rise in unit labour costs demands attention.

⁷ The star (*) is an indication of statistical significance.

Figure 4: Growth Rate in Labour Productivity, Multifactor Productivity and Labour Costs (%)



Source: Compilation from Statistics Mauritius, 2023

B. The Labour Supply Side

Analysing the labour demographics is vital in understanding and addressing the current challenges within the labour market. For instance, in 2022, unemployment tends to be highest in the age groups 20 to 24 and 25 to 29. This could be influenced by various factors, including entry into the job market after completing education and potential challenges in securing initial employment. The number of unemployed generally decreases with age (Statistics Mauritius, 2023). The number of persons outside the labour force⁸ was significantly higher among women than men of all ages, except for the age group 16 to 19 years. There were fewer women than men among the employed at all ages.

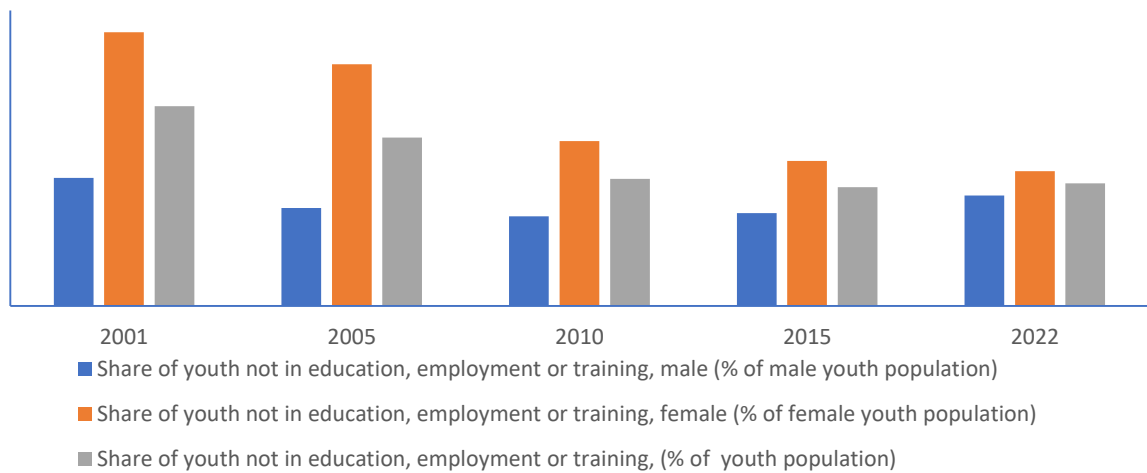
In 2022, more than half of the unemployed (51% that is 22,000) do not hold the School Certificate (SC). Among those without SC, 9% had not even attained the Primary School Achievement Certificate (PSAC)/Certificate of Primary Education (CPE) level, 4% held the PSAC/CPE certificate, and 38% attended secondary school but did not pass the SC. The high percentage of unemployed individuals without an SC suggests potential disparities in educational attainment, requiring further investigation. Unemployed having studied up to the tertiary level numbered some 7,000 and represented 16% of the total unemployed. The presence of 16% with tertiary education among the unemployed suggests a potential mismatch between education and available job opportunities. Further, unemployed women were generally as qualified as their male counterparts; around 49% possessed at least a School Certificate, similar to men.

Mauritius has a large share of youth and women who are Not in Education, Employment, or Training (NEET). This demographic typically includes young people (both men and women) aged 15 to 24 years old who are neither in school nor participating in the labour market or

⁸ Outside the Labour Force (previously known as inactive population) includes all Mauritians aged 16 years and above, not forming part of the labour force for reasons such as attendance at educational institutions, engagement in household duties, retirement, old age and infirmity/disablement.

vocational training programmes. Understanding the NEET situation is crucial for addressing youth unemployment, social exclusion, and economic challenges in the country. Only 54.8% of young people aged between 20 and 24 years were economically active in 2021 and the percentage increased to 58.2% in 2022. By gender, the percentage of economically active young women aged between 20 and 24 years was lower than that of men. It was 48.9% in 2021 and 48.5% in 2022 relative to 60.7% and 67.9% for men over the same period.

Figure 5: Share of Youth NEET by Gender, 2001-2022



Source: World Bank Development Indicators, 2023

The share of the young population not in education, employment and training stood at 20.7% in 2022. The percentage of young women not in education, employment and training was 22.8% higher than that of young men at 18.7%.

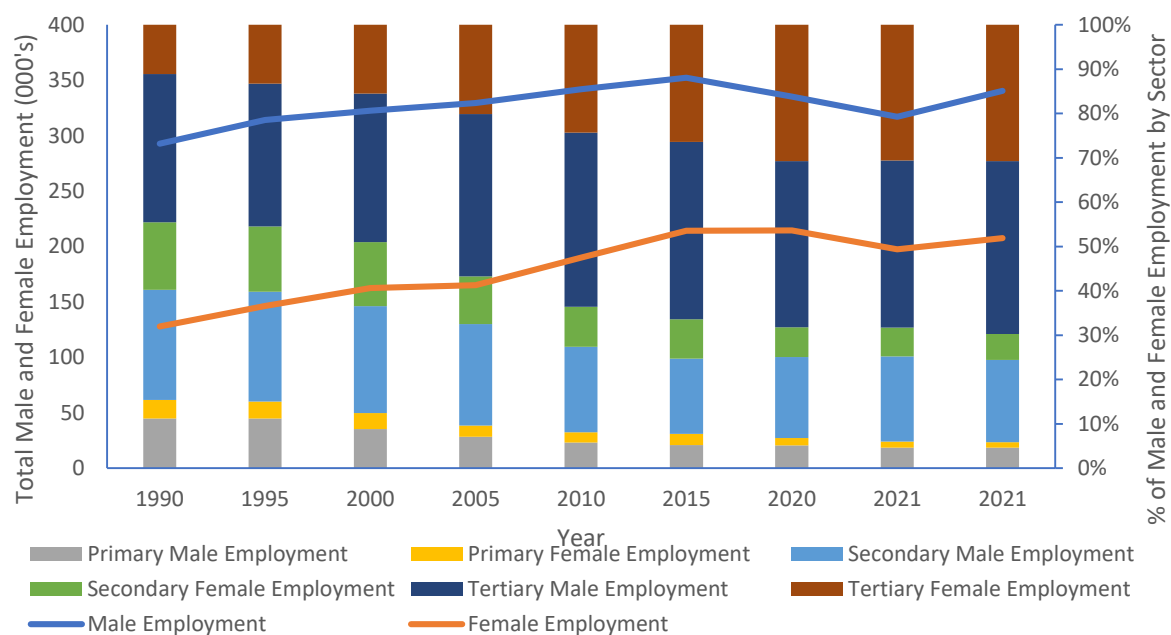
C. Exploring Gender Dynamics in the Mauritian Labour Market

The gender dynamics within the Mauritian labour market represent a multifaceted landscape and delve into the various facets namely, gender participation in the labour market, gender distribution of occupations, wage disparities, barriers to entry and career advancement, leadership roles and work-life balance, amongst many others.

Male and Female Employment by Sector

A gender gap can be observed between male and female employment but it seems to gradually narrow down over time. The employment-to-population ratio was around 51% (65% for males and 39% for females). This ratio by gender further reveals a considerable gender gap with a greater proportion of men actively participating in the workforce compared to women.

Figure 6: Total Employment by Sex and Sector, 1990 - 2022



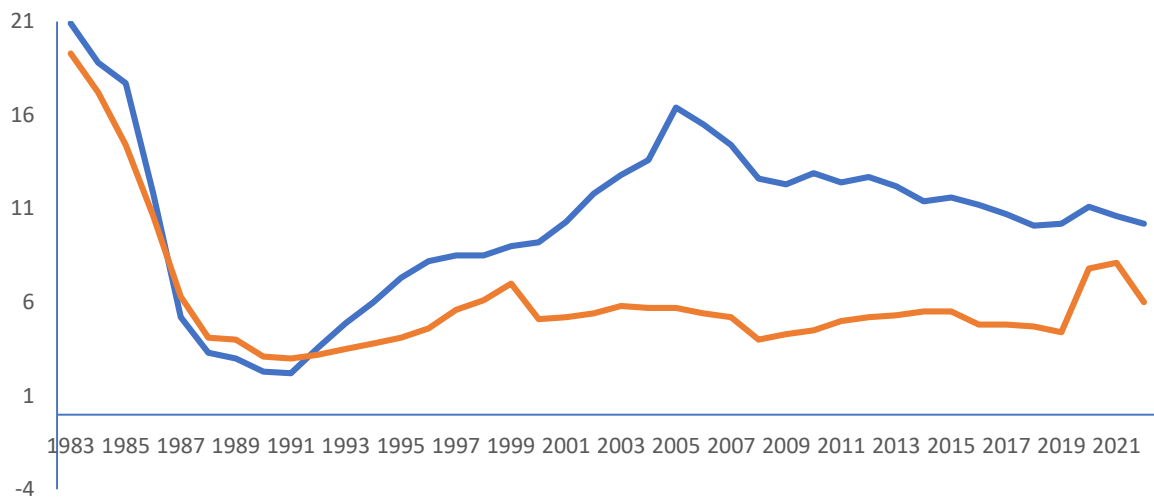
Source: Compilation from Statistics Mauritius, 2023

The higher representation of males in both the total labour force and employed population suggests potential gender differentials in terms of access to job opportunities or societal expectations regarding workforce participation. Factors such as educational opportunities, cultural norms, and childcare responsibilities may influence the lower employment rate for women. Further, a sectoral analysis of employment by gender reveals both shared and distinct patterns for men and women across various industries. Both men and women tend to be highly concentrated in the services sector. The analysis reveals certain sectors are traditionally dominated by either men or women, indicating occupational segregation. While the male dominance in the construction, transport, and storage sectors highlights existing gender disparities, it also underscores the need for proactive measures to break down barriers and create more inclusive workplaces. Efforts to challenge stereotypes, and barriers such as societal expectations, and promote education and training opportunities for all can contribute to a more diverse and equitable workforce.

The Gender Disparity in Unemployment

Among the 43,200 unemployed, women outnumbered men (22,800 women compared to 20,400 men). Female unemployment rate decreased from 10.6% in 2021 to 10.2% in 2022. The male unemployment rate was 8.1 % in 2021 and fell to 6.0% in 2022. The female unemployment rate remains higher relative to the male unemployment rate but the gender gap in the unemployment rate fell from 2012 to 2022.

Figure 7: Unemployment Rates- Male and Female, 1983- 2022

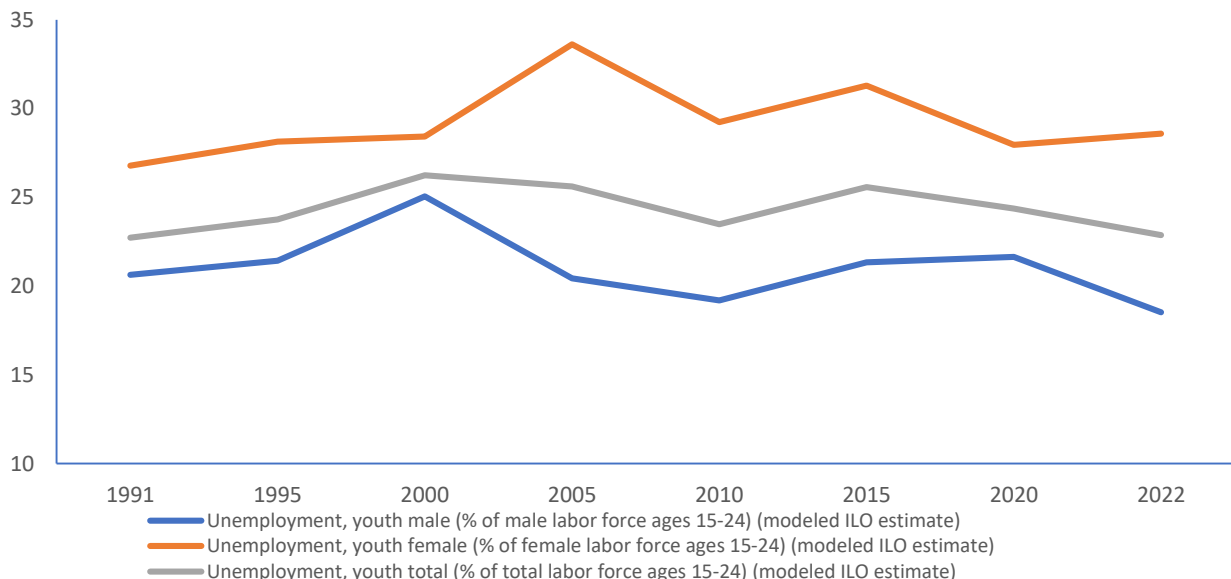


Source: Compilation from Statistics Mauritius, 2023

Intersecting Youth and Gender in Unemployment

Further, examining the intersection of youth and gender in the Mauritian labour market shows that the unemployment rate for young women is much higher than that of young men. This trend has been consistent over the years and the gender gap in youth unemployment appears to widen in recent years, with a difference of 10% for female youth unemployment (28.6%) compared to that of male (18.5%) in 2022.

Figure 8: Youth (16-24 years) Unemployment Rates- Male and Female, 1983- 2022



Source: Compilation from World Development Indicators, 2023

The widening gender gap in youth unemployment underscores the need for targeted interventions and policies to address specific challenges faced by young women. Factors contributing to this gap may include societal expectations, misalignment of education with market demands or limitations in accessing certain sectors. In addressing the intersectionality of youth and gender, tailor-made strategies can be designed to eliminate gender biases, and enhance support mechanisms for young individuals entering the workforce. Additionally, this insight calls for a closer examination of the root causes of gender disparities in youth

unemployment, paving the way for informed and effective interventions to create a more equitable and inclusive labour market that empowers both youth and women in Mauritius.

Gender Distribution in Occupations

Evaluating the representation of women in leadership positions provides a gauge of gender inclusivity at the highest echelons of institutions both in the private and public sectors. An analysis of the employment data by occupational group shows that the number of women in the position of managers, professionals, technicians and associate professionals has increased by 23% from 2012 to 2022. More women are also working as clerical support workers and service and sales workers with a rise of 30% and 8.4%, respectively in 2022. An increase of 17.2% of women in elementary occupations is further noted. The positive trends in managerial, professional, and clerical roles suggest progress in breaking gender stereotypes and fostering greater diversity in higher-skilled and administrative positions.

Table 2: Employed population by occupational group and sex - 2012 & 2022

ISCO* major occupational group	Occupational group	2012			2022		
		Male	Female	Both Sexes	Male	Female	Both Sexes
1 - 3	Managers; Professionals; Technicians and associate professionals	63,200	40,500	103,700	57,500	49,700	107,200
4	Clerical support workers	17,900	28,200	46,100	19,700	36,700	56,400
5	Service and sales workers	64,100	44,300	108,400	64,400	48,000	112,400
6 - 8	Skilled agricultural, forestry and fishery workers; Craft and related trade workers; Plant and machine operators and assemblers	137,800	26,200	164,000	136,500	16,000	152,500
9	Elementary occupations	45,800	43,700	89,500	39,900	51,200	91,100
	All occupational groups	328,800	182,900	511,700	318,000	201,600	519,600

* International Standard Classification of Occupations

Source: Statistics Mauritius, 2023

D. Labour Underutilisation and Skills Mismatch

In addition to youth and female unemployment, underemployment and skills mismatch represent additional challenges in the Mauritian labour market. Unemployment and underemployment reflect the failure to utilise labour as an important factor of production for fostering economic growth. Labour underutilisation is an indicator reflecting the mismatch between labour supply and demand and this leads to unmet needs for employment among the population. Labour underutilisation and skills mismatch may lead to economic inefficiencies, hindering the country's overall productivity.

Table 3: Labour Underutilisation

	2019	2021	2022
Time-related underemployment	72,200	93,000	35,000
Skills-related underemployed	43,700	48,000	33,900
Unemployed	39,700	48,400	43,200
Potential labour force	2,400	14,900	1,500
Total labour underutilisation	158,000	204,300	113,600

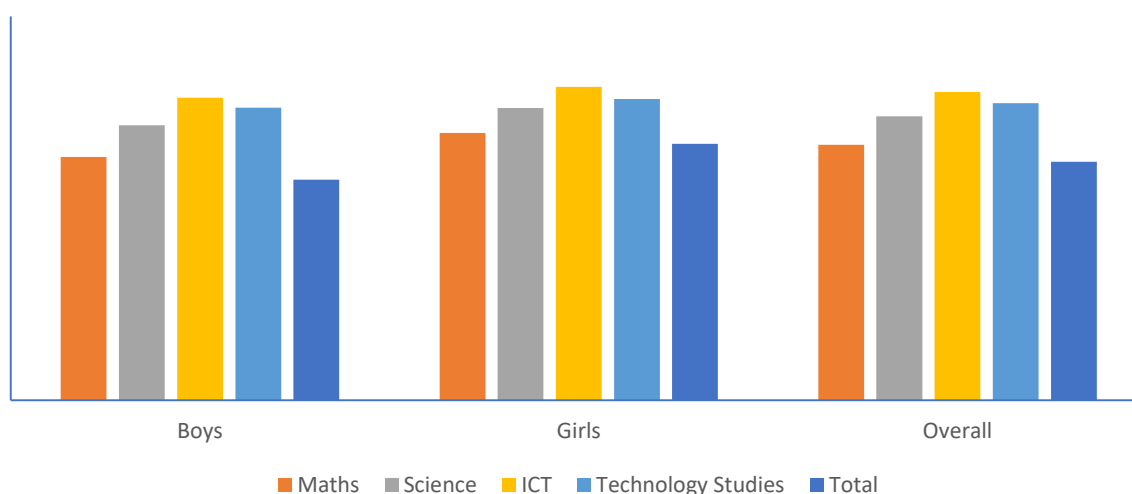
Source: Compilation from Statistics Mauritius, 2023

Addressing labour underutilisation and skills mismatch in Mauritius is important and requires a collaborative approach involving educational institutions, industries, and the government. Ongoing efforts to align skills with industry demands, provide relevant training opportunities, and foster adaptability in the workforce are essential for a resilient labour market. Targeted interventions must aim at minimising underutilisation and optimising skill matching.

Education and Skills Mismatch

With regard to the education system, there have been several changes in recent years. The nine-year schooling has been a major transformation in the education system.

Figure 9: Performance of Students at NCE in 2023: Overall Performance and by Gender



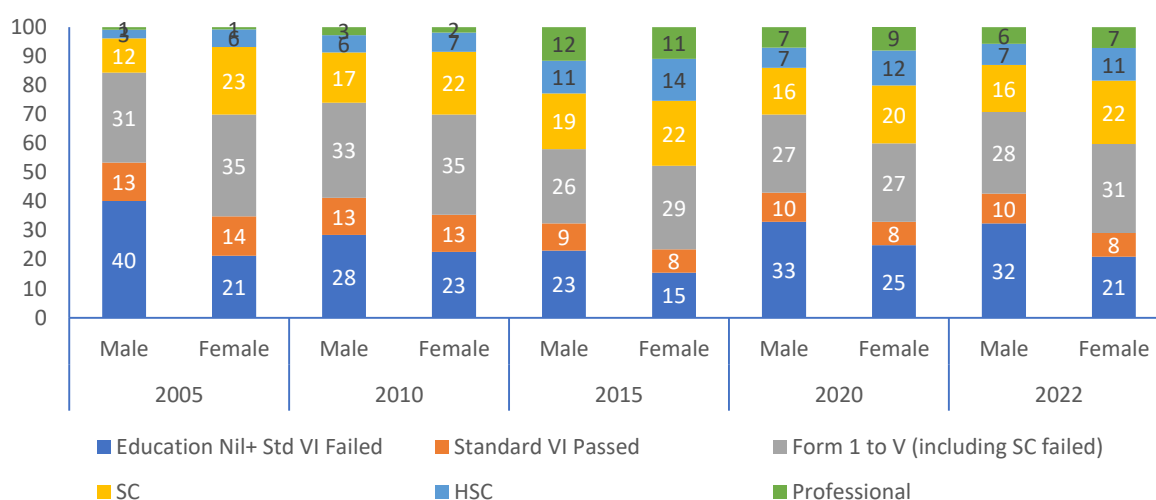
Source: Compilation from Mauritius Examination Syndicate, 2024

Girls perform better with an overall pass rate of 80.1% compared to 68.9% for boys. In terms of subjects like Mathematics, Science, ICT and Technology Studies, it can be further stated that girls do better across the STEM (Science, Technology, Engineering and Mathematics) subjects. However, when it comes to STEM careers, it seems that the STEM sector tends to

be mainly male-dominated. There is a lower participation of women in STEM professions as well as significant challenges which women in STEM careers face compared to their male colleagues⁹.

The percentage of job seekers seems to be highest among those with no education or who have some years of schooling but have failed the primary school assessment (CPE or PSAC). The percentage of job seekers in this category tends to be higher among males. This is followed by those who have attended secondary school but failed School Certificate. However, the percentage of female job seekers who have not completed SC is higher than that of males. In addition, those who have passed SC also find difficulties in getting a job and are registered as unemployed.

Figure 10: Registered unemployed jobseekers by qualification and sex, 2005 -2022¹⁰



Note: The data does not include those who have completed tertiary education
 Source: Employment Service, Ministry of Labour, Human Resource Development and Training, 2022

The number of vacancies by skill/occupation levels is analysed in line with the number of registered unemployed by occupational group. The number of vacancies in 2020 appears insufficient to accommodate the pool of registered unemployed individuals. This suggests a potential imbalance between job opportunities and the available workforce during that specific year. However, there was a significant surge in the number of vacancies in both 2015 and 2022, indicating a more favourable job market scenario during those periods. In 2022, the total number of vacancies across all skill levels exceeded the count of registered unemployed individuals, except for the position of ‘Clerical Support Workers’. This implies a relatively positive labour market condition where there were more job opportunities available relative to the number of individuals seeking employment. The disparities observed underscore the importance of aligning the skills and qualifications of the unemployed with the demands of the job market. Efforts in skills development and training programs may be crucial to bridge these gaps and enhance employability.

⁹ Tandrayen-Ragoobur, V., & Gokulsing, D. (2021). Gender gap in STEM education and career choices: what matters? *Journal of Applied Research in Higher Education*, 14(3), 1021-1040.

¹⁰ The figure covers only the Island of Mauritius.

Table 4: Number of Registered Unemployed and Vacancies by Skill Level, 2015-2022

Number of vacancies by skill level	2015	2020	2022
Managers	269	109	305
Professionals	722	381	1,562
Technicians & Associate professionals	2,580	1,378	3,231
Clerical Support Workers	3,327	1,370	2,692
Service Workers & sales workers	5,588	2,517	7,543
Skilled agricultural, forestry & fishery workers	138	699	2,386
Craft & related trades workers	6,112	7,187	18,210
Plant & machinery Operators & Assemblers	3,632	2,364	8,751
Elementary Occupations	3,788	3,082	7,967
Total	26,156	19,087	52,647
Number of registered unemployed by skill level	2015	2020	2022
Managers	141	301	101
Professionals	1,623	1,690	980
Technicians & Associate professionals	1,418	2,107	1,401
Clerical Support Workers	6,380	7,910	4,955
Service Workers & sales workers	3,785	6,324	4,056
Skilled agricultural, forestry & fishery workers	126	304	136
Craft & related trades workers	1,815	2,655	1,786
Plant & machinery Operators & Assemblers	1,888	2,963	1,632
Elementary Occupations	2,918	4,880	3,273
New Workers Seeking Employment	2,856	1,237	835
Total	22,950	30,371	19,155

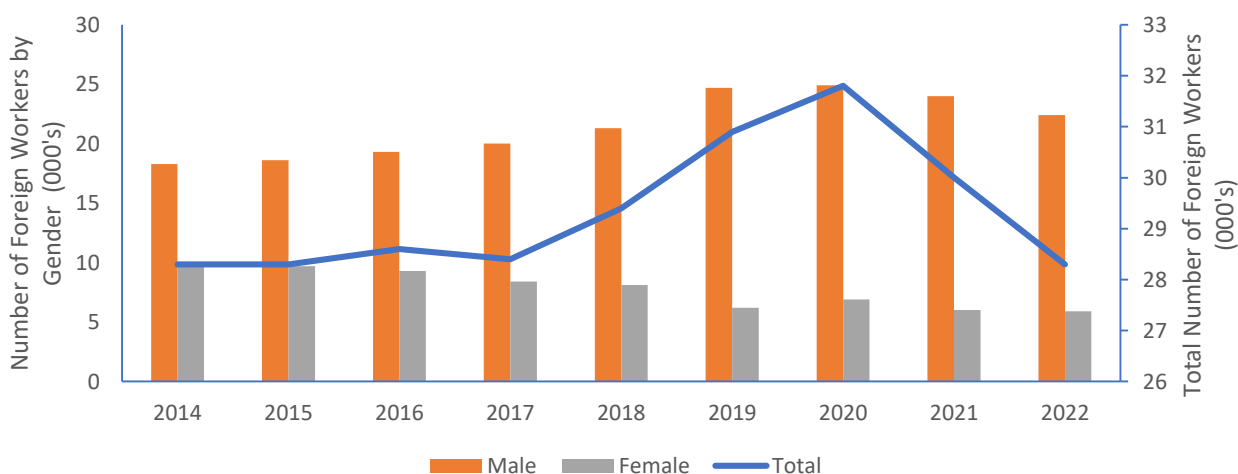
Source: Employment Service, Ministry of Labour, Human Resource Development and Training, 2022

E. Labour Migration

Migrant workers

Migrant workers are an important economic feature of the Mauritian labour market as they tend to complement the local labour force because they engage in activities that are either very skills-specific or manual jobs or occupations with odd working hours. The manufacturing and construction sectors emerge as the primary domains absorbing a substantial influx of foreign workers. There is a predominance of male foreign workers across various sectors, except for the education sector.

Figure 11: Number of Foreign Workers by Gender, 2014-2022

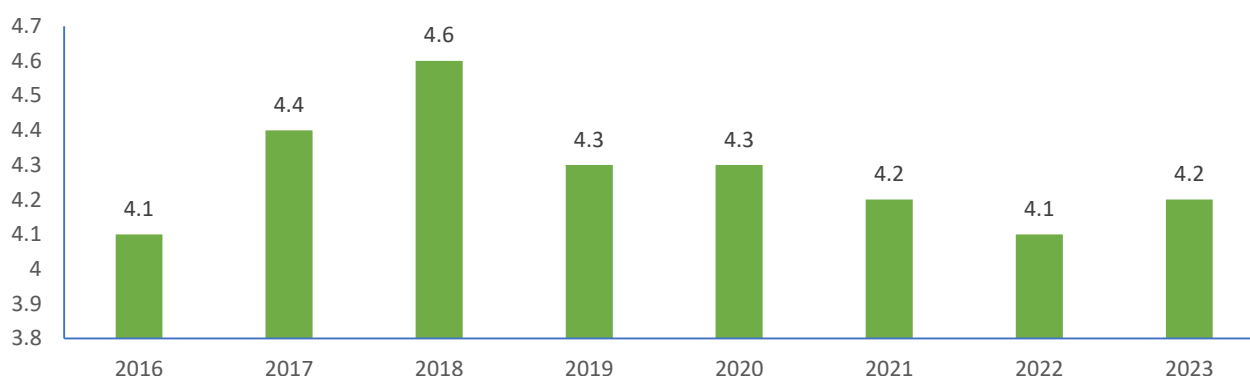


Source: Compilation from Statistics Mauritius, 2023

Human Flight

According to the United Nations, in 2019 there were 188,406 Mauritian emigrants recorded abroad. The main destination countries were France (48,820), the United Kingdom (48,766), Australia (31,380), Canada (16,933), and South Africa (14,883). Gaps in the skills between tertiary-level education and the job market are one of the root causes of brain drain. As per the OECD Global Talent Flows Report (2016), Mauritius is first in Africa and fifth globally in terms of human capital flight to perceive ‘greener pastures’. Over 70% of graduates who go to study abroad do not come back. In addition, the human flight and brain drain index (Fund for Peace, 2022)¹¹ for Mauritius was 2.1 in 2007 and rose to 4.6 in 2018 and 4.1 in 2022.

Figure 12: The Human Flight and Brain Drain Index, 2016-2023



Source: OECD Global Talent Flows Report

F. Decent Work and Pay – Vulnerable and Informal Employment

Self-Employment

In 2022, around 77.1% of the employed were employees while around 21.3% were self-employed (own account workers or employers) and the remaining 1.6% were contributing family workers (Statistics Mauritius, 2023). The female workforce as compared to the male workforce comprised a higher proportion of employees (86.2% against 71.3% among males) and contributing family workers (3.4% against 0.4% among males) but a lower proportion of self-employed (10.4% against 28.3% among males).

Table 5: Self-Employment by Gender, 1991- 2022

Self-Employment	1991	2000	2005	2010	2015	2019	2022
Self-employed, total (% of total employment)	18.4	19.7	19.3	20.3	20.9	19.5	17.8
Self-employed, male (% of male employment)	21.2	21.8	21.1	22.2	23.8	23.2	21.8
Self-employed, female (% of female employment)	12.1	13.5	15.6	16.6	16.1	13.5	11.3

Source: Compilation from Statistics Mauritius, 2023

Despite the increasing recognition of women's entrepreneurship globally, women in Mauritius are underrepresented in self-employment compared to men. Cultural norms,

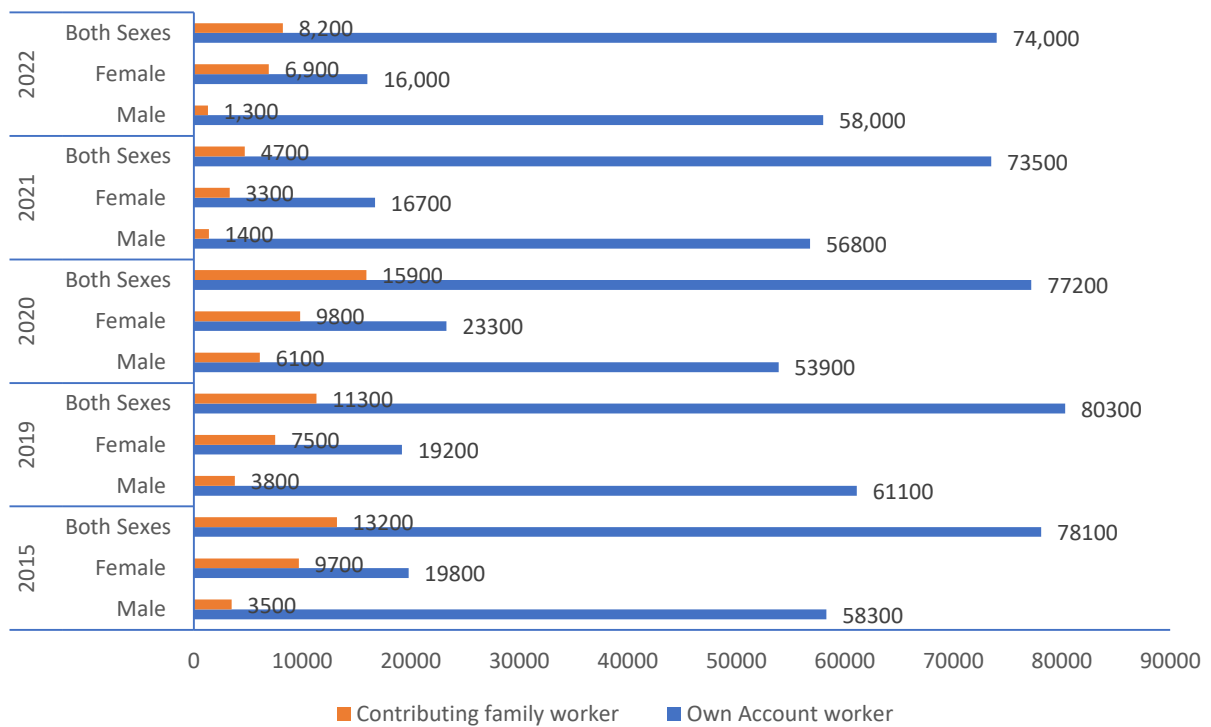
¹¹ The Human flight and brain drain indicator considers the economic impact of human displacement (for economic or political reasons) and the consequences this may have on a country's development. The higher the index, the greater the human displacement.

societal expectations and traditional gender roles may limit women's access to resources, networks, and opportunities for entrepreneurship.

Vulnerable Employment

Workers in vulnerable employment are those who are either own account workers or contributing family workers. These vulnerable workers are less likely to have formal work arrangements and are therefore more likely to lack decent working conditions, adequate social security and being represented by effective trade unions (ILO, 2010).

Figure 13: Number of Contributing Family Workers and Own Account Workers, 2015-2022



Source: Compilation from Statistics Mauritius, 2023

G. Existing Policies to Tackle Youth Unemployment, Skills Mismatch and Brain Drain

Figure 14: Programmes with Appropriate Training to Boost Employability

	Name of Programme	Targeted Group	Monthly Stipend
Employment Programmes	Youth Employment Programme (YEP)	Unemployed Youth 16-35 years- HSC and above. Placement	HSC= Rs 8,000 Diploma Holders = Rs 10,000 Graduates = Rs 15,000
	Back to Work (BTW)	Unemployed women above 30 years - Training and placement for those who wish to work	Monthly stipend = Rs 10,575
	Graduate Training for Employment Scheme (GTES)	Diploma Holders and Graduates- Tailor made training and placement (3-12	Monthly stipend = Rs 10,000
	National Skills Development Programme (NSDP)	Unemployed - 16 -60 years- Diploma holders or below - Training and industrial placement (3-12 months)	Monthly stipend = Rs 8,000
	Dual Training Programme (DTP)	Unemployed for a period of at least 30 days before the placement - HSC	Monthly stipend = Rs 6,000
	National Apprenticeship Programme (NAP)	16 years and above. Form III or above - off the job learning	Monthly stipend = Rs 6,000
	Training Schemes for Pre-registration Trainee Engineers	Graduates -Training of at least 2 years	Monthly stipend = Rs 25,525
	National Training and Reskilling Scheme - (NTRS)	Unemployed age 16 or 18. Education level depends on the programme	Monthly stipend = Rs 10,575
	National Youth Civic Service (NYCS)	Aged 17 to 25 yrs. 12-week youth development programme	One-lump stipend = Rs 5,000
	Skills Development Support Programme for AI	Programmes to develop AI enabled workforce	None

Source: Compilation from the National Skills Development Strategy, 2022-2026, HRDC

Career Guidance

In light of the high rates of youth and female unemployment, alongside an increasing skills gap and shortage of labour across sectors, the importance of career guidance becomes even more pronounced. Career guidance plays a crucial role in helping individuals make informed decisions about their career paths and adapt to the complex job market. A Careers Guidance Service unit operates under the aegis of the MLHRDT and has the primary task of helping individuals develop realistic strategies in education, training and employment.

Current Social Safety Nets for Workers

People with Disabilities

In 2022, some 84,500 persons reported some form of disability, up from 59,900 in 2011. In terms of proportion, persons with disabilities made up 6.8% of the population in 2022 compared to 4.8% in 2011 (Population Census, 2021). The prevalence of disability generally increases with age. The Training Employment of Disabled Persons Board (TEDPB) aims at preventing discrimination against disabled persons resulting from or arising out of their disability; educating and sensitising employers on the importance of employing disabled persons and contributing to removing barriers or prejudices about the employment of such persons. Under the Training and Employment of Disabled Persons Act 1996, an enterprise having a workforce of 35 or more should include at least 3% people with disabilities. However, this law has not been effectively implemented (Mauritius Human Rights Report, 2021)¹². Following measures announced in the budget 2023-2024, the “*Prime à L’Emploi Scheme*” has been extended to bring women and persons with disabilities into employment. Under the scheme, the Government provides a monthly “*Prime à l’Emploi*” of up to Rs 15,000 for the first two years of employment.

Transition and Unemployment Benefit (TUB) and Unemployment Hardship Relief (UHR)

Introduced in February 2009, the TUB is payable to Mauritian workers of the private sector whose contract of employment is terminated under the Workers' Rights Act 2019 and who have been registered in the workfare programme. Contributions to the Workfare Programme are shared between the employer, who contributes 1 per cent, and the employee, who contributes an additional 1 per cent. Further, the UHR is payable to unemployed heads of families whose family income is not sufficient to meet the needs of the members. The number of beneficiaries of UHR decreased by 15.0%, from 481 in 2021 to 409 in 2022 and the amount paid to these beneficiaries fell by 35.9% from Rs 14.5 million in 2020/2021 to Rs 9.3 million in 2021/2022.

Table 6: Unemployment Hardship Relief, 2017/18-2021/22

Unemployment Hardship Relief (UHR)	2017/18	2018/19	2019/20	2020/21	2021/22
No. of beneficiaries	708	570	524	481	409
Amount paid (Rs Mn)	15.71	13.20	15.76	14.48	9.33

Source: Statistics Mauritius, 2023

Retirement and Pensions

The pension system of Mauritius comprises several pillars, including a basic retirement pension scheme funded out of general taxation, mandatory contributory lump sums, mandatory contributory income streams, as well as voluntary pension schemes.

H. National Minimum Wage: Mitigating Wage Inequality and Vulnerability to Poverty

The Government has raised the National Minimum Wage (NMW) payable to full-time employees to Rs 15,000 monthly as of January 2024. In addition, the salary compensation for the year 2024 has been determined at 10% of the basic salary, with a minimum of Rs 1,500 and a maximum of Rs 2,000. Evidence indicates that the implementation of the NMW has not

¹²Mauritius Human Rights Report (2021) https://www.state.gov/wp-content/uploads/2022/03/313615_MAUITIUS-2021-HUMAN-RIGHTS-REPORT.pdf

adversely affected employment growth (National Minimum Wage Council, 2024)¹³. In addition, the implementation of the NMW has continued to raise the wage income of low-paid employees, thereby reducing income inequality. Indeed, the Palma Ratio, the Gini Coefficient and the inter-decile ratios based on wage income have continuously improved since 2017 (National Minimum Wage Council, 2024). This is confirmed by the decline in the Palma ratio from 2.44 in 2017 to 1.80 in 2022. The Gini Coefficient, which measures the degree of inequality in income ranges between 0 (complete equality) and 1 (complete inequality) and continues to improve from 0.448 in 2017 to 0.420 in 2021, 0.408 in 2022 reaching 0.394 in 2023.

I. Flexible Work Arrangements

From the time use survey in 2018/19 men spend an average of 4.7 hours per day at work (income earning activities) compared to 2.5 hours for women, that is 2.2 hours more than women. On the other hand, women spend 2.7 hours more than men on household chores (housework and care of family members). Men spend an average of 1.7 hours per day and women 4.4 hours on these tasks. If household chores were considered paid work, women would have spent more time at work than men: 6.9 hours for women compared to 6.6 hours for men (Time Use Survey, 2018/19). Employed women spend an average of 6.0 hours per day at work, compared to 6.8 hours for men. Existing policies for work-life integration are a four-day workweek option, carers' time off, annual leave carry over among other gender-sensitive labour policies as outlined below:

Gender-Sensitive Labour Policies

- The Workers' Rights Act provides for the payment of 14 weeks paid maternity leave irrespective of the number of confinements.
- Paternity leave -The five working days of employer-paid paternity leave has been extended to adoptive fathers of a child under 12 months old. Paternity leave is unpaid for employees who have been employed for less than 12 months.
- Promoting workplace inclusivity through improved access to childcare services in the form of onsite childcare. Employers with 250 workers or more are now required to provide cost-free childcare facilities, either onsite or within one kilometre of the workplace.
- Mandatory Women's Nursing Rooms in New Developments.
- The boards of publicly listed companies are now required to have at least 25% women.
- Miscarriage leave - Female employees are entitled to a three-week employer-paid leave to be taken immediately after a miscarriage.
- The government will contribute Rs 15,000 monthly for two years for newly employed women or those who have been unemployed for at least a year under the "*Prime à L'Emploi*" Scheme.

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<https://labour.govmu.org/Documents/Documents/Review%202024%2028.11.23%20FINAL%2015h45%20051223.pdf>

J. Stakeholder Consultations and SWOT Analysis

Stakeholder Consultations

Stakeholder consultations were undertaken over 4 months. In all 85 interviews were conducted either in person or via virtual meetings. The stakeholders range from government officials, private sector organisations, micro, small and medium-sized enterprises, parastatal bodies, non-governmental organisations, academia, training institutions, young people and tertiary-level students. The consultations were used to inform the scope and focus of the SWOT analysis, ensuring that relevant issues were identified and considered. The stakeholder consultations provide a solid foundation for the SWOT analysis and for devising the policy priorities of the National Employment Policy.

Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis

This SWOT analysis provides a snapshot of the internal strengths and weaknesses of the Mauritian labour market. Based on the in-depth situational analysis and the stakeholder consultations, this section addresses important strengths, weaknesses, opportunities and threats which currently exist and may also arise in the next five years. These elements need to be accounted for in the implementation and effectiveness of strategies and actions designed by the NEP to address employment challenges in the country. The following SWOT analysis is designed for the Mauritian labour market.

STRENGTHS

1. Diversified economic structure and growth
2. Development of emerging new sectors - Blue Economy, AI, Smart Agriculture, Green Economy, Pharmaceuticals etc
3. Relatively well-educated and skilled workforce
4. Implementation of policies and programmes to tackle unemployment and underemployment
5. Conducive economic, social, business and investment- friendly environment
6. Restructuring of the education system to cater for drop outs

WEAKNESSES

1. High youth and female unemployment and underemployment
2. Education and skill mismatch
3. Labour shortage across sectors
4. Ageing population and low fertility rate
5. Lack of decent work opportunities for all (both local and foreign workers)
6. High reliance on specific sectors for job creation
7. Knowledge flight (brain drain) and low skilled labour emigration
8. Gender disparities in the labour market
9. Difficult school to work transition
10. Information asymmetry and lack of interest in current employment and training programmes
11. Lack of effective career guidance
12. High level of education drop outs and NEET rate
13. Rigidity in labour market
14. Poor workers' participation in lifelong learning and new skills
15. Insufficient investment in training of workers at enterprise level
16. Difficult integration and participation of vulnerable groups in the labour market
17. Limited innovation capacity, reflecting low R&D expenditure

SWOT Analysis

OPPORTUNITIES

1. Expansion of emerging sectors and job creation
2. Digital transformation and increased demand for decent jobs
3. Regional integration with increased trade and investment leading to job creation
4. Rising global demand for green jobs and sustainable practices
5. Encouraging entrepreneurship and innovation to foster the creation of new businesses and job opportunities
6. Coordinated reforms of education, training, employment and social assistance programmes
7. Infrastructure Development-transportation, telecommunications, and energy for the creation of jobs
8. Massive oceanic resources and a vast EEZ with opportunities in coastal tourism, fishing, seafood and seaport activities.
9. Strong commitment to accelerate the transition towards renewable energy
10. Access to large regional markets (AfcFTA, COMESA, SADC, IOC) opportunities to expand regional trade.

THREATS

1. Global economic downturns, crises and disruptions
2. Demographic challenges in terms of population reduction and ageing
3. Slow take off or expansion of emerging sectors
4. Increased mismatch between education and skills and labour market demand
5. Insufficient monitoring and evaluation of existing education, skills and employment programmes
6. Increasing red tape and absence of a merit-based system
7. Insufficient reforms and support in the field of child and family support policies
8. Income inequality and social disparities can exacerbate poverty and hinder inclusive growth
9. Emphasis on external migration for work purposes
10. Global competition, increased prices and food insecurity
11. Climate change impacts on economic sectors, labour and livelihoods
12. Technological advancements and automation can pose a threat to jobs in various sectors

3. NEP vision, goals, guiding principles and policy priorities

This section presents the vision, objectives, goals and principles of the 2024 – 2028 National Employment Policy for the Republic of Mauritius. It elaborates on the policy priorities.

Vision

The vision of this policy is to achieve decent, productive and freely chosen employment for all people of the Republic of Mauritius to improve their livelihoods and dignity.

Goals

The goals of the NEP are to ensure decent and productive work for all and provide all workers with ample opportunities to acquire and utilise their skills and abilities in jobs for which they are well suited. The NEP sets out a vision, a policy framework and measures promoting the overarching gender-responsive vision of the policy and emphasising the importance of economic inclusion, social equity, equality, and sustainable employment practices for the overall well-being of the country. It further promotes coherence between a range of policies, including macroeconomic, trade, financial, industrial, sectoral, and social protection measures.

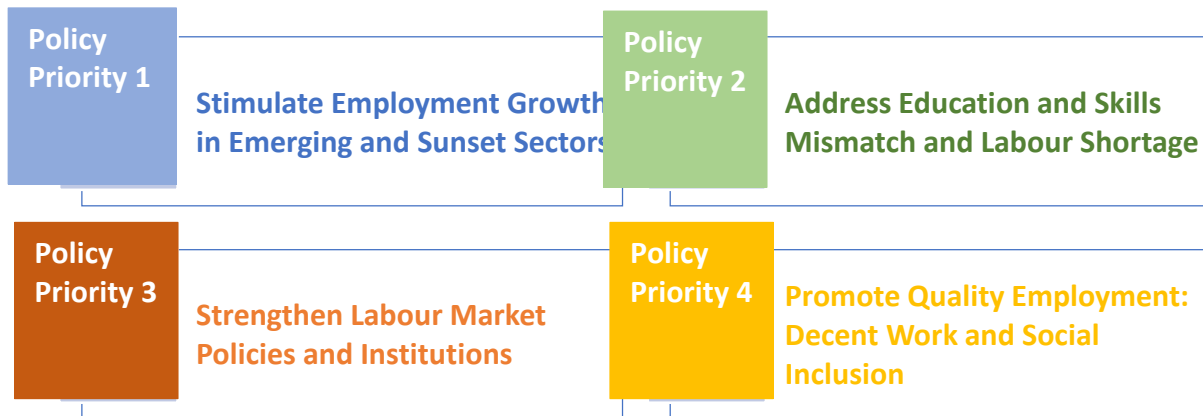
Guiding Principles

The 2024-2028 NEP is guided by the need to address the issues and challenges affecting the labour market in the Republic of Mauritius as identified by the situational analysis conducted as a prelude to the development of the policy. The guiding principles provide a comprehensive and holistic framework for addressing employment-related issues in the country. They cover the quantity and quality dimensions of employment as well as equality in the labour market in light of existing gender disparities. The principles thus seek to address the demand and supply sides of the labour market. The implementation of the NEP is based on the following principles (i) leave no one behind (ii) decent work (iii) equal participation and opportunities (iv) respect for human rights and dignity (v) partnership and social dialogue.

Policy Priorities

In pursuit of a dynamic and inclusive labour market, the 2024-2028 NEP has identified four overarching policy priorities as per stakeholders' consultations and situational analysis.

Figure 15: Policy Priorities of the 2024-2028 NEP



Source: Consultants' Compilation, 2024

The sub-priorities within these four policy priorities are summarised below.

Figure 16: Sub-Policies



Source: Consultants' Compilation, 2024

4. Methodology

The formulation of the 2024 – 2028 National Employment Policy was preceded by a situational and SWOT analysis of the Mauritian labour market. The analysis aimed at having a comprehensive understanding of the current state of the country’s labour market and employment landscape. It serves as a diagnostic tool to identify critical gaps and bottlenecks within the existing employment ecosystem. By systematically collecting and analysing both primary and secondary data, the situational analysis provides a solid foundation for evidence-based recommendations. Information from the situational analysis was used to develop different sections of the NEP and to guide the policy priorities in the short, medium and long term.

Secondary data was collected from different surveys carried out by Statistics Mauritius and from the Ministry of Labour, Human Resource Development and Training. One important element in the formulation of the NEP is social dialogue. There were ongoing consultations with stakeholders throughout the process. A total of 85 in-depth interviews were conducted with representatives from ministries, the private sector, Non-Governmental Organisations (NGOs), trade unions, academia, public and private training institutions and international organisations. The interviews provided a comprehensive understanding of varying viewpoints, needs and expectations on the current labour market situation, the present and future challenges, the skills and employment needs of emerging sectors and the short- and long-term policy recommendations. A comprehensive data-driven and stakeholder-inclusive approach was thus adopted.

The development and implementation of the NEP is split across four sections. The first section performs an extensive review of the labour market, including demographic trends, employment creation, decent work, labour productivity, education and skills mismatch, new economic sectors for job creation, foreign workers, brain drain, different work arrangements, the care economy and adopting a gender perspective to the labour market. The second part is related to the formulation of key policies. The third section includes the specific actions aimed at dealing with the current and future challenges. Lastly, the fourth section relates to the implementation and evaluation of programmes over the next 5 years.

Figure 17: Methodological Approach Adopted in the Formulation of the NEP



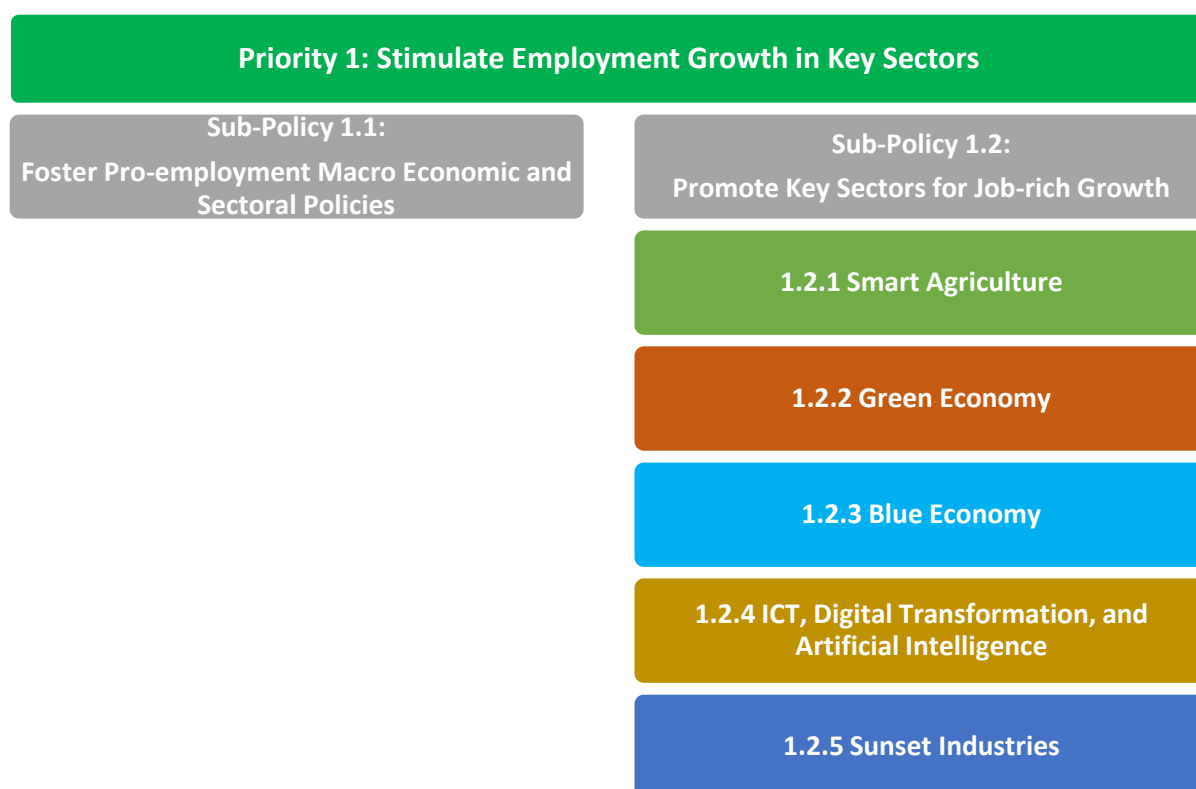
Source: Consultants’ Compilation, 2024

5. Policy priorities, outcomes, strategies, and actions

Policy Priority 1: Stimulate Employment Growth in Emerging and Sunset Sectors

This policy priority focuses on creating employment opportunities in emerging industries, ensuring the workforce is aligned with the evolving needs of the economy. While the unemployment rate, particularly for young people and those with no or little qualifications stood at 25.1% in 2022, the Mauritian labour market is also confronted with a disaffection with employment including in semi-skilled jobs. This is reflected in a rise in turnover rate in employment positions and skills drain abroad¹⁴. This phenomenon affects all sectors of the economy. In essence, many sectors are confronted with a scarcity of workers or the required skills; and hence the need to turn to foreign labour. It is thus imperative to stimulate employment growth in emerging sectors as it not only addresses the dynamic needs of the industries but also lays the foundation for robust economic expansion. By aligning policies with the demands of emerging sectors, this can create a thriving job market with productive and decent employment. Policy priority 1 is presented below.

Figure 18: Stimulate Employment Growth in Key Sectors



Source: Consultants' Compilation, 2024

¹⁴ ADB (2023) Country Focus Report 2023 Mauritius – Mobilising Private Sector Financing for Climate and Green Growth - <https://www.afdb.org/en/documents/country-focus-report-2023-mauritius-mobilizing-private-sector-financing-climate-and-green-growth>

Sub-Policy 1.1: Foster Pro-employment Macro Economic and Sectoral Policies

This sub-policy established the importance of macroeconomic policies in shaping job markets. By aligning macroeconomic policies with the imperative of employment creation, this will create a resilient workforce able to adapt to the evolving needs of sectors. Employment-friendly economic policy reforms adopted range from investment, fiscal, financial, monetary and trade policies. These policies will stimulate aggregate demand within the economy, promoting expenditure and thereby stimulating private sector activities that will result in employment creation. Pro-employment macroeconomic and sectoral policies set full and productive employment as a policy objective. Monetary policy, in particular, can shape job markets and foster employment growth. While monetary policy primarily falls within the purview of the Central Bank, its implementation can significantly influence investment dynamics, access to financing, and ultimately, job creation.

There is a missing link in terms of an institutional framework and mechanism for coordination, monitoring and evaluation of employment generation strategies within the different strategies of line ministries. The Human Resource Development and Training Division needs to ensure that the recommendations of the NEP are aligned and anchored in the current and future strategic development plans of different sectors/ ministries.

Outcomes:	Actions:
<ul style="list-style-type: none"> Increased decent job opportunities in all sectors 	1. Provide incentives, and infrastructure development support to strategic industries to promote growth and job creation
<ul style="list-style-type: none"> Reduced labour scarcity and disengagement of workforce across sectors 	2. Develop alternative financing mechanisms to promote financial inclusion, and stimulate investment in activities with high employment potential
Strategies:	3. Increase access to credit for MSMEs by incentivising banks to extend credit to job-rich sectors
<ul style="list-style-type: none"> Maintain price stability to create a conducive environment for investment, growth and job creation 	4. Engage in multilateral and bilateral trade agreements to promote exports and attract FDI for job creation in export-oriented industries
<ul style="list-style-type: none"> Foster direct public investment in job-intensive sectors 	5. Set up a National Labour Market Observatory ¹⁵ to conduct an in-depth analysis of the labour market and devise market policies to boost employment.
<ul style="list-style-type: none"> Invest in R&D, technology transfer, and innovation to foster entrepreneurship and the growth of high-tech industries, creating employment 	
<ul style="list-style-type: none"> Align policies of monetary, fiscal and other authorities for coherence in policy objectives to achieve sustainable employment growth 	

¹⁵ The National Labour Market Observatory or the “Observatoire de l’emploi” will be a multidisciplinary group with economists, statisticians, researchers, and sociologists. The Observatory will collect micro labour market data and harmonise existing databases on the labour market, conduct in-depth analysis and research on various labour market challenges. The Observatory will work in close collaboration with local research institutions to undertake applied research for evidence-based policy decisions, foster informed dialogue and promote effective interventions to promote decent, inclusive and sustainable employment growth.

Sub-Policy 1.2: Promote Key Sectors for Job-rich Growth

This sub-policy 1.2 aims to stimulate job creation in key sectors vital for future economic growth.

1.2.1 Smart Agriculture

The agricultural sector is an important sector for food security and the social livelihoods of planters. Employment in agriculture (non-sugar) was 4.6% of total employment in 2022 (Statistics Mauritius, 2023). Mauritius is highly dependent on food imports where the island imports around 70% of its food requirements. Mauritius is however among the biggest pesticide users with a rise of 22% in pesticide use in 2020¹⁶. To raise the national food security level and maintain self-sufficiency, Mauritius is shifting to sustainable agricultural practices through the use of eco-friendly production methods. There is a need to boost food production, reduce the risks associated with the use of pesticides and improve resilience to climate change. Smart Agriculture, is a game changer and is marked by the utilisation of ICT and the Internet of Things (IoT), amongst others. Greenhouse practices, automated production systems, precision agriculture, autonomous tractors, robotic harvesters, vertical farming and seeding robots¹⁷ have integrated the agricultural sector. However, the low literacy of farmers, the disinterest of young people in the agricultural sector and the lack of investment are major challenges.

Sub-Outcomes:	Actions:
<ul style="list-style-type: none"> Increased sustainable agricultural practices like Organic Farming and Eco-Friendly Agriculture 	<ol style="list-style-type: none"> 1. Launch awareness campaigns to educate and build the capacity of farmers, in particular youth and women to adopt new technologies in agriculture and inform them of the benefits of smart agriculture and the dangers of pesticides
<ul style="list-style-type: none"> Reduced use of pesticides and increased resilience to climate change 	
Strategies:	<ol style="list-style-type: none"> 2. Advocate for policies that reduce the use of pesticides and support the growth of smart agriculture. 3. Develop tailor-made training programmes in collaboration with training and educational institutions on current and future skills needs of the sector in terms of sheltered farming, precision agriculture, pests and diseases management, pesticide detection, sensory testing and advanced techniques in food microbiology testing, etc 4. Involve the private sector through regional or local digital agriculture companies which can offer internships for students and help aspiring entrepreneurs to acquire on-the-job skills. 5. Collaborate with the private sector to develop open innovation experiences and funding of specific incubation programmes for youth and women
<ul style="list-style-type: none"> Raise awareness and train young people on the ill effects of pesticides 	
<ul style="list-style-type: none"> Promote training to equip farmers with the necessary skills to operate and benefit from smart agricultural technologies 	
<ul style="list-style-type: none"> Foster employment opportunities for the next 5 years like greenhouse technicians, agricultural engineers, drone technologists and precision agriculture technologists, amongst others 	
<ul style="list-style-type: none"> Focus on a more entrepreneurship-oriented approach adapted to the current labour market where young people and women can innovate 	

¹⁶ <https://www.trade.gov/country-commercial-guides/mauritius-agricultural-sectors>

¹⁷ National Skills Development Strategy 2022 – 2026.

1.2.2 Green Economy

Mauritius' Climate Change Act 2021 aims to speed up the island's long-term commitment to sustainable development. Mauritius aims to reduce overall Greenhouse Gas (GHG) emissions by 40% in 2030, levelling up existing green strategies and climate policies. According to the updated green jobs assessment of ILO (ILO, 2023)¹⁸, green jobs have increased to 10.3% of the total existing jobs from 6.3% in 2012. A well-managed ecological transition can be a strong driver for job creation and social justice¹⁹. The process requires a capable human capital that will guide and contribute to this greening process. However, a greener economy does not automatically deliver decent jobs. It is important to achieve good and decent working conditions with a conscious effort from employers, workers and government. As per the 2023 ILO and Page Report: 'Green jobs and employment impacts of a green and low carbon strategy in Mauritius', under a green/low carbon strategy scenario, it is expected that there will be an increase of up to 66,974 in Green Jobs by 2030. However, the skills shortage is a strong barrier to ecological progress, delaying technological and economic transformation. Another constraint is the limited private sector involvement in green growth in Mauritius²⁰.

Strategies:	Actions:
<ul style="list-style-type: none"> Promote sustainable job creation through investment in renewable energy and green infrastructure development 	1. Apply the recommendations drawn in the 'Skills Roadmap for a Green Economy' report ²¹
<ul style="list-style-type: none"> Foster employment in biodiversity conservation and ecosystem restoration 	2. Build a National Green Jobs Assessment Model for Mauritius ²² to achieve better job outcomes and a Just Transition for All.
<ul style="list-style-type: none"> Promote training and skills development focused on green technologies and sustainable practices 	3. Develop sector-specific training for business communities on bio-farming and green agricultural certification (agricultural sector), sustainable innovation, energy efficiency and use of renewable energy, and the development of eco-tourism and sustainable value chain.
<ul style="list-style-type: none"> Launch initiatives for biodiversity conservation, reforestation, and ecosystem restoration. 	
	4. Establish workplace policies and training programmes to improve worker skills in areas of (a) occupational safety and health, (b) safety protocols for occupational hazards (c) managing waste and (d) workers' rights and collective bargaining to improve working conditions and avoid occupational hazards.
	5. Design a communication plan to sensitise young people and women towards decent green jobs and skills as well as green policies and incentives.

¹⁸ ILO (2023) Green jobs and employment impacts of a green and low carbon strategy in Mauritius.

¹⁹ Platform for Advancing Green Human Capital- A Framework for Policy Analysis and Guidance.

²⁰ ADB (2023) Country Focus Report 2023 Mauritius: Mobilising Private Sector Financing for Climate and Green Growth

²¹ <https://www.un-page.org/news/developing-the-right-skills-for-green-jobs-in-mauritius/>. Full report to be provided by the Ministry of Labour, Human Resource Development, and Training (MLHRDT)

²² It is a macroeconomic modelling framework. It is based on the official data from the national accounts. Different policy scenarios are modelled to compare effects on jobs, skills, gender, growth, income distribution, etc. The model allows for the comparison of green versus conventional industries.

1.2.3 Blue Economy

The Blue Economy (BE) is identified as a potential driver of economic growth and employment creation in Mauritius. Its activities excluding coastal tourism represent 10% of the GDP and employ around 7,000 people. It is currently represented by traditional ocean activities like coastal tourism, fishing, seafood processing and seaport activities. The Government aims at increasing the share of GDP of the BE to 20% in the medium term²³. The approach involves strengthening traditional activities while also fostering the growth of emerging sectors like aquaculture, maritime services, marine biotechnology and oil and gas exploration to name a few. A roadmap for the BE was developed in 2020, however, the development of the Ocean economy has unfortunately been very slow²⁴.

Strategies:	Actions:
<ul style="list-style-type: none"> Facilitate the development of emerging activities in the BE sector 	1. Convert the BE Masterplan into an action plan which outlines a comprehensive set of actions, and priorities aimed at harnessing the potential of the BE through investment, skills and job creation, while ensuring environmental conservation, social equity and human rights protection
<ul style="list-style-type: none"> Promote sustainable maritime employment among youth and women 	2. Develop hybrid training modules in collaboration with the International Training Centre (ITC)-ILO on the promotion of decent work and sustainable entrepreneurship in the BE.
<ul style="list-style-type: none"> Enhance blue entrepreneurship among youth and women 	3. Develop education and training programmes in maritime studies, fisheries, marine biology, and related fields to equip individuals with the necessary skills.
	4. Foster PPP to direct investment in sustainable maritime activities to create jobs
	5. Implement apprenticeship programmes in collaboration with blue economy enterprises, providing hands-on training and experience for individuals entering the field.

1.2.4 ICT, Digital Transformation, and Artificial Intelligence

The rapid evolution and development of the ICT sector has witnessed a GDP contribution of 5.9% and employment creation of more than 32,000²⁵ jobs in 2022. In the next five years, the proliferation of Internet of Things (IoT) devices and the need for real-time data processing at the edge of networks will create new subsectors like edge computing infrastructure, edge analytics and edge Artificial Intelligence (AI). The rollout of 5G networks will also create new subsectors like advanced mobile applications, augmented reality and virtual reality. Advances in industrial automation, service robotics and collaborative robots will represent new revenue and employment-generating activities. Cybersecurity and secure cloud environments are thus likely to expand.

²³ EDB (2023) <https://edbmauritius.org/blue-economy>

²⁴ ADB (2023) Country Focus Report 2023 Mauritius – Mobilising Private Sector Financing for Climate and Green Growth

²⁵ <https://edbmauritius.org/ict>

Sub-Outcomes:	Actions:
<ul style="list-style-type: none"> • Increased adoption of emerging technologies like Blockchain, Cybersecurity, AI and IoT 	<ol style="list-style-type: none"> 1. Adopt digital solutions and AI technologies in line with the 'Digital Mauritius 2030 Strategic Plan' 2. Set up appropriate support schemes to promote the use of digital tools and AI technologies across micro, small and medium-sized enterprises (MSMEs) to foster digital entrepreneurship
<ul style="list-style-type: none"> • Improved digital literacy and digital entrepreneurship via access to technologies for all 	
Strategies:	<ol style="list-style-type: none"> 3. Increase intake in ICT undergraduate courses in both public and private Universities to meet the sector's future skills needs in, for instance, edge analytics and IoT security, 5G technologies, AI ethics and governance, regulatory technology, and healthcare IT 4. Universities to establish foundation courses aimed at equipping young people for ICT careers or providing unemployed graduates with opportunities for ICT reskilling 5. Develop internship programmes and industry exposure for students in tertiary and TVET institutions
<ul style="list-style-type: none"> • Support the widespread adoption of ICT and digital technologies (AI, IoT, Big Data and Cloud computing) through modern and robust digital infrastructure 	
<ul style="list-style-type: none"> • Support and expand remote work opportunities via investment in technology and infrastructure 	
<ul style="list-style-type: none"> • Foster a conducive environment for digital literacy and digital entrepreneurship 	
<ul style="list-style-type: none"> • Ensure effective matching of job seekers with employment opportunities in the sector 	
<ul style="list-style-type: none"> • Create an environment to encourage and motivate workers to join the sector 	

1.2.5 Sunset Industries

Sunset industries in Mauritius are those sectors that experience a decline in demand, or profitability due to various factors such as technological advancements, changing consumer preferences and global market dynamics. Mauritius has long been known for its textile, sugar, and tourism industries, but with shifts in global trade, new technological patterns and emerging economic trends, these industries are facing major challenges. The textile industry, for instance, has seen a decline in recent years due to increasing competition from low-cost manufacturing hubs, rising production costs, and evolving consumer preferences. Efforts to revitalise the sector include diversification into higher value-added products, adopting sustainable practices, and leveraging niche markets. Similarly, the sugar industry has been struggling with declining prices, competitive pressures on the world market and fluctuating global demand. To remain viable, the sector has focused on diversification, including ethanol production, renewable energy initiatives, and value-added products like special sugars. While tourism remains a key driver of the economy, the sector faces challenges such as seasonality, competition from emerging destinations, labour shortages and the need for sustainable tourism and development. Efforts are being made to sustain growth by diversifying tourism offerings, enhancing infrastructure, and targeting high-end markets. These industries require modernisation, innovation, a skilled workforce and support to remain competitive.

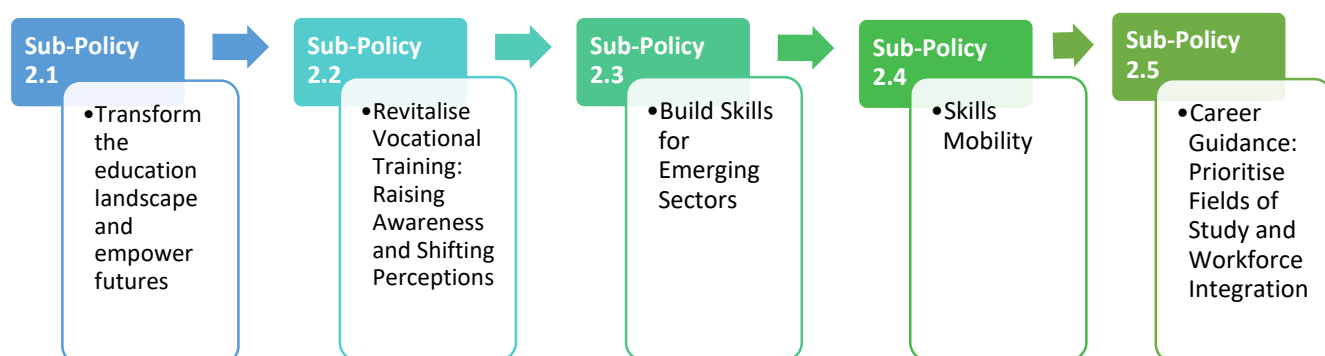
Strategies:	Actions:
<ul style="list-style-type: none"> • Explore new markets and niche segments within sunset industries 	1.Anchor employment strategies within the strategic plans of sunset industries to promote employment and growth
<ul style="list-style-type: none"> • Encourage investment, innovation, employment and growth within sunset industries via targeted policy support and incentives 	2.Undertake a skill needs assessment of the sunset industries
	3.Develop training programmes and capacity-building initiatives to enhance the skills and capabilities of workers in sunset industries, addressing skill gaps and promoting lifelong learning

Policy Priority 2: Address Education and Skills Mismatch and Promote Employability

One major labour market challenge is the current education and skills mismatch, which is likely to persist in the long term if appropriate policies are not implemented in time. While job vacancies exist, concurrent unemployment persists; a phenomenon attributed to skills mismatch and a sense of disaffection within the labour force. This dual scenario in Mauritius underscores the complexity of the employment landscape. The presence of job openings may not necessarily align with the skill sets possessed by unemployed individuals, contributing to a mismatch between the skills demanded by employers and those available in the labour market. Additionally, factors like changing industry requirements and technological advancements can exacerbate this disconnection. Moreover, disaffection among the labour force could be linked to various socio-economic factors, including perceptions of job security, working conditions, or motivational aspects. Addressing this intricate issue requires a nuanced approach that involves bridging skill gaps, aligning education with industry needs, and understanding the root causes of disaffection to create a more responsive and inclusive employment ecosystem in Mauritius.

This second policy priority thus covers five important sub-elements namely (1) transform the education landscape and empower futures (2) revitalise vocational training to align with industry demands (3) build skills for emerging sectors (4) skills mobility and (5) enhance career guidance by prioritising fields of study and workforce integration. Various policy documents have been recently worked out to reduce the skills mismatch in Mauritius such as the National Skills Development Strategy 2022-2026 (2023); the Skills Roadmap for a Green Economy in Mauritius (2022), the Feasibility Study on the ‘Campus des Métiers de la Mer’, the Rapid Skills Needs Assessment on marine-based renewable energy and the Mauritius Skills Mobility Framework (2023). The recommendations in the policy documents are to be taken on board along with those outlined in the NEP. The main policy to address education mismatch is a restructuring of the different education and training institutions for better coherence across the education system and TVET institutions namely MITD and Polytechnic Mauritius.

Figure 19: Address Education and Skills Mismatch and Promote Employability



Consultants’ Computation, 2024

Sub-Policy 2.1: Transform the Education Landscape and Empower Futures

The prevailing rigidity in the current education system makes it challenging to promote skills that can swiftly adapt to the dynamic demands of the evolving job market²⁶. The recent launching of the Technology Education Programme in ten secondary schools in January 2024, is a first step to offer students the choice between the traditional education path and the technology education which was collaboratively developed with the industry to ensure that it met business requirements. However, there is still much disconnect between the current education system and the world of work.

Outcomes:	Actions:
<ul style="list-style-type: none"> Diversified learning and employment pathways 	1. Implement the recommendations of the National Skills Development Strategy 2022-2026
	2. Enhance the professional development of educators, trainers, and lecturers through ongoing training courses linked to industry needs and skills requirements.
Strategies:	3. Empower faculties in local public universities in terms of financial, human and infrastructural resources in the fields of engineering, ICT, environment and blue economy studies
<ul style="list-style-type: none"> Enhance education and skills development 	4. Extend internship periods in educational programmes at tertiary levels for better skill alignment with labour market demands. These internships need to be innovative for instance, company-based projects with incentives (adequate stipends for example)
<ul style="list-style-type: none"> Engage with social partners, including businesses, industry associations, trade unions and NGOs to understand skill needs and ensure relevance of educational programmes are relevant. Provide guidance to students on priority fields of study Provide information on job availability 	5. Implement online learning platforms for job seekers and students with a wide range of free educational resources to acquire new skills, improve existing ones, or gain industry-specific knowledge
	6. Promote coordination between labour and education around career guidance and work in close collaboration with HRDC and educational institutions. This is to ensure

²⁶ HRDC (2023) - National Skills Development Strategy 2022-2026
<https://www.hrdc.mu/index.php/projects/301-national-skills-development-strategy-nsds-2019-2023>

	that data from the skills anticipation system feeds into career guidance processes.
<ul style="list-style-type: none"> • Link the tertiary education institutions with the world of work and the National Employment Department 	7. Universities need to design micro-credentials that are short and intensive courses which are focused and allow employees to gain better and relevant training. Instead of the traditional way of enrolling for a 3- or 4-year degree, students enrol only in 1 or 2 modules relevant to their jobs
	8. Integrate on-the-shelf training in tertiary education programmes. These are pre-packaged training materials or courses that are readily available. These training programmes can cover technical skills, soft skills compliance training and leadership development, etc
	9. Mainstream compulsory generic soft skills/ life skills programmes for all students in secondary and tertiary level study curriculum (irrespective of fields of studies)
	10. Develop soft skills through informal education where youngsters out of school are initiated into social activities with the support of NGOs.
	11. Enhance university-business collaboration to ensure that the educational curriculum aligns with industry needs
	12. Conduct regular surveys and consultations with employers and tertiary education institutions to identify emerging education and skill needs and adjust educational programs accordingly

Sub-Policy 2.2: Revitalise Vocational Training: Raising Awareness and Shifting Perceptions

Different institutions offer Technical and Vocational Education and Training (TVET) programs namely the Mauritius Institute of Training and Development (MITD), polytechnics and technical institutes as well as private training centres. They contribute to the development of a skilled workforce. Further, Polytechnics Mauritius is the only tertiary, upper TVET institution which provides programmes in practical fields such as health science and nursing, IT and emerging technologies, engineering and logistics, marine and ocean sector and tourism and hospitality.

Strategies:	Actions:
<ul style="list-style-type: none"> • Enhance skills development and capacity building through TVET in line with labour market demand 	1. Invest in MITD through the provision of both financial, infrastructural and human resources to increase its intake and design new courses in line with industry demands
<ul style="list-style-type: none"> • Engage with social partners- businesses, industry associations, trade unions and NGOs to understand skill needs and relevance of training programmes 	2. Review and strengthen the existing National Apprenticeship Programme to increase enrolment of young people who are neither in education nor employment nor training
<ul style="list-style-type: none"> • Encourage diverse groups: women, young people, and those in long-term 	3. Implement awareness programmes to educate parents and community members about the benefits of TVET and dispel the stigma with vocational education/jobs

unemployment to participate in TVET programmes.	4. Develop and disseminate in media (websites, social media platforms, etc) success stories of individuals who have succeeded through TVET.
	5. Strengthen partnerships between TVET institutions and industries
	6. Mainstream soft skills in TVET curriculum and programmes
	7. Combine TVET skills with training in business skills and access to credit to encourage entrepreneurship and a sustainable form of self-employment
	8. Conduct regular surveys and consultations with employers and MITD to identify emerging skill needs and adjust training programmes accordingly

Sub-Policy 2.3: Skills for Emerging Sectors

The absence of a strategic plan or white paper outlining the vision for emerging sectors poses a significant challenge in adequately preparing the labour force. There is a notable gap in the government's provision of a blueprint or forward strategy. There is a lack of medium- and long-term outlook on skills needed to guide universities and training providers on youth preparation for future work. This makes it challenging for institutions to align their programmes with the needs of these sectors. As per the Skills Roadmap for a Green Economy in Mauritius (2022), there is no specific mechanism for skills development for green jobs and skills measures for green transition. Further, many training courses on skills for greening the economy are one-off subject to funding and the demand for such skills.

Strategies:	Actions:
<ul style="list-style-type: none"> • Develop training programmes tailored to the skill requirements of emerging sectors • Integrate the notion of green, blue and digital jobs in the Mauritian labour market 	<ol style="list-style-type: none"> 1. Implement the recommendations of the Skills Roadmap for a Green Economy in Mauritius (2022) the Rapid Skills Needs Assessment on marine-based renewable energy 2. Conduct a Skills Needs and Anticipation Assessment for emerging sectors: Smart Agriculture, Blue Economy and ICT/AI to establish the current, medium- and long-term skill needs 3. Set up a Sector Skills Council (SSC) - an employer and trade union-led platform²⁷ 4. Facilitate internship and apprenticeship programmes with companies in emerging sectors to provide practical exposure and hands-on experience

²⁷ More information on the SSC can be obtained at https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-jakarta/documents/publication/wcms_738640.pdf

Sub-Policy 2.4: Skills Mobility

With evolving labour market dynamics, there is a growing mobility of workers across countries calling for the need for new skills and labour requirements. Skill mobility in Mauritius reflects a dynamic scenario where the country attracts foreign workers and also experiences the emigration of Mauritian talent-seeking prospects abroad. This dual phenomenon emphasises the need for a comprehensive and adaptive approach to skills mobility. The government has formulated policies to facilitate circular migration and actively promotes the concept of "brain circulation" among Mauritians emigrating abroad. The Mauritian Diaspora Scheme was set up to encourage the diaspora to return and contribute to economic growth.

Strategies:	Actions:
<ul style="list-style-type: none"> • Achieve the right balance between attracting foreign talent and retaining skilled locals. 	1. Implement the recommendations of the report on the Mauritius Skills Mobility Framework (2023) ²⁸
<ul style="list-style-type: none"> • Establish robust frameworks to attract and integrate foreign workers 	2. Establish bilateral labour migration agreements and temporary migration programmes (in particular circular migration)
<ul style="list-style-type: none"> • Encourage the local workforce to take up employment locally 	3. Conduct a thorough evaluation of the Mauritian Diaspora Scheme to identify where they have relocated, the sectors where they operate, their skill levels, etc. There is a need to identify the gaps in the scheme and revamp it with additional incentives
<ul style="list-style-type: none"> • Manage safe, orderly and regular migration 	4. Undertake a migration survey and study in line with ILO standards to assess the reasons behind migration, the skills and labour migration by demographics, and economic and social conditions
<ul style="list-style-type: none"> • Ensure the smooth return, readmission and sustainable reintegration of the Mauritian diaspora 	5. Open up sectors with accompanying policies for recruiting foreign workers in high-skilled and semi-skilled jobs to deal with labour scarcity and ensure decent work and respect for human rights.

Sub-Policy 2.5: Career Guidance: Prioritising Fields of Study and Workforce Integration

Career guidance in Mauritius plays a crucial role in helping individuals make informed decisions about their education, training, and career paths. The aim is to empower individuals with the knowledge, skills, and confidence needed to integrate the world of work. Career guidance starts through primary, secondary and tertiary level education with subject choices, academic pathways, and vocational training options to job search assistance, lifelong learning and entrepreneurship support.

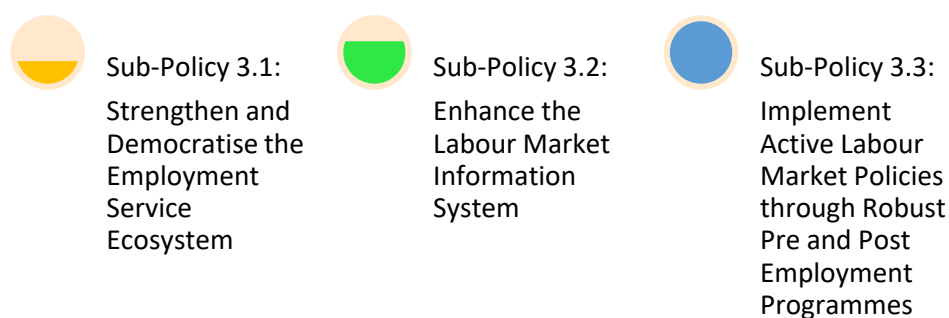
²⁸ The Mauritius Skills Mobility Framework (2023) was provided by the Ministry of Labour, Human Resource Development, and Training (MLHRDT)

Outcomes:	Actions:
<ul style="list-style-type: none"> Enhanced availability of regular career guidance services across all educational levels 	1. Empower the Careers Guidance Service unit under the aegis of the MLHRDT in terms of human resources to ensure a coherent and holistic lifelong guidance system and act as a One-Stop Career Guidance Centre for students, young people and women in particular
Strategies:	2. Develop new career guidance programmes to better inform students on the current and emerging industry trends for a better alignment between qualifications and job opportunities
	3. Train educators on career guidance and counselling
<ul style="list-style-type: none"> Help students explore interests, skills, and potential career paths through career guidance services 	4. Introduce Career Counselling during education fairs organised across all public tertiary institutions
<ul style="list-style-type: none"> Promote access to information and guidance services to all students 	5. Incorporate a section on career guidance in the national television programme- "Magazine de l'Emploi et des Métiers"
<ul style="list-style-type: none"> Promote the concept of lifelong learning and continuous skills development 	6. Include career counsellors in Academic Boards of public tertiary education institutions.
	7. Introduce a career awareness month to stimulate students and the public in general about the importance of making informed choices on careers and training.
	8. Introduce a career app to provide hands-on information on career training opportunities. This will also help the Careers Guidance Service Unit to follow the progress of persons throughout their training and employment.
<ul style="list-style-type: none"> Partner with educational institutions, employers, industry associations, and community organisations to leverage resources and expertise in delivering career guidance services 	9. Develop a career guide with up-to-date labour market information made available online as well as in secondary and tertiary institutions.
	10. Enhance collaboration between the Careers Guidance Service unit, Universities, secondary schools and business communities to provide relevant and up-to-date information on education, skills and careers

Policy Priority 3: Strengthen Labour Market Policies and Institutions

Good labour market performance measured in terms of job quantity and quality, inclusiveness and resilience and adaptability to challenges and opportunities, depends on labour market policies and institutions. Strengthening labour market policies and institutions is the third Policy Priority of the NEP. It is divided into three sub-policies namely: (1) Strengthen Employment Services (2) Enhance Labour Market Information System and (3) Implement Active Labour Market Policies.

Figure 20: Strengthen Labour Market Policies and Institutions



Consultants’ Computation, 2024

Sub-Policy 3.1: Strengthen and Democratise the Employment Service Ecosystem

The employment service ecosystem in Mauritius consists of various entities and initiatives that work together to support job seekers and employers in the labour market. The main ones are the National Employment Department (NED); Public Employment Services (PES); Private Employment Agencies; Skills Development Programmes as well as Job Portals and Online Platforms. Another key element of the employment service ecosystem is the Skills Development Programmes aimed at enhancing the employability of individuals and these are available through government initiatives such as the Human Resource Development Council (HRDC) or private training institutions. In addition, private employment agencies specialise in specific sectors or occupations and provide recruitment services to both local businesses and international companies. Furthermore, Job Portals and Online Platforms provide a digital platform for employers to advertise vacancies and for individuals to search for jobs online. However, there seems to be a missing link between the NED and private recruitment agencies, partly due to differences in administrative processes and objectives, lack of awareness and formal mechanisms for collaboration. Further, coordination challenges among various stakeholders, including government agencies, private employment services, and educational institutions, affect the overall effectiveness of the employment service ecosystem.

Outcomes:	Actions:
<ul style="list-style-type: none"> Improved delivery of employment services 	1. Establish joint working groups/ task forces led by the NED to facilitate regular meetings among the main stakeholders of the employment service ecosystem to discuss challenges, share information and exchange resources
Strategies <ul style="list-style-type: none"> Promote employer and employee engagement Establish evaluation framework of existing and new employment programmes and services provided Stimulate collaboration among stakeholders operating in the labour market ecosystem via joint working groups 	2. Engage in regular consultations with tertiary and TVET institutions to access data on graduates’ skills and qualifications and align training programmes with industry needs
	3. Undertake regular monitoring and evaluation of the different employment support services and training programmes using various KPIs (e.g. employee retention and attrition rates, utilisation rates, etc)

Sub-Policy 3.2: Enhance the Labour Market Information System

The Labour Market Information System (LMIS) in Mauritius provides data on employment trends, job vacancies, skills requirements, wages, unemployment rates, labour force participation rates, and other relevant information. It helps policymakers, employers, job seekers, and researchers to make informed decisions by providing accurate and up-to-date information on the labour market. The LMIS serves as a platform for job matching services through better alignment between job seekers and available job opportunities. However, certain data gaps have been noted in the collection, analysis, and dissemination of accurate labour market information. These gaps in data stem from a limited registration of job seekers with tertiary education on the job portal and the omission of data regarding individuals who have registered with private institutions or online platforms not affiliated with the public job portal. Challenges in integrating data between public and private employment services hinder the creation of a comprehensive database for job vacancies and seekers.

Outcomes:	Actions:
<ul style="list-style-type: none"> Improved job matching through better alignment between job seekers and available job opportunities 	1. Improve the current LMIS by generating an in-depth analysis of the size, structure and dynamics of the labour market. Statistics Mauritius, PMO, MLHRDT and HRDC will work together on the LMIS.
Strategies:	2. Review the computation of unemployment data to include data on entrepreneurship, self-employment informal employment, etc.
<ul style="list-style-type: none"> Improve data accuracy by integrating various sources of labour market information 	3. Ensure that the LMIS provides real-time updates on labour market data at a more granular level example at sectoral and occupational levels.
<ul style="list-style-type: none"> Foster collaborations with private-sector recruitment agencies 	4. Create a complete database on total vacancies and job seekers registered in both public and private employment services
<ul style="list-style-type: none"> Enhance job matching services, data management, and prediction of future employment needs via the adoption of advanced technologies 	5. Use advanced data visualisation tools as a strategic approach to transform complex labour market information into a comprehensive format for informed decision-making
	6. Build a functional LMIS that supports employment planning and regular monitoring and evaluation. This can be done in collaboration with the National Labour Market Observatory
	7. Integrate job-matching AI ²⁹ on the existing online job portal to enhance its job-matching capabilities. AI can also be used to collect and disseminate labour market information in an Infographic format

²⁹ Job-matching platforms with the use of AI like Jobactive in Australia, and Mycareersfuture in Singapore create a CV based on the information provided by job seekers. Job-seekers are asked a series of questions related to their work experience, education, skills and courses that are ultimately fed into their digital career profile. The platform prompts the user with hints and tips to make their profile more attractive. With the help of AI-based job market analysis, the platform can identify the jobseeker's skills and competencies and reduce potential job mismatches

Sub-Policy 3.3: Implement Active Labour Market Policies through Robust Pre and Post-Employment Programmes

Mauritius has undertaken a multifaceted approach to tackle unemployment and enhance workforce development through the implementation of diverse active labour market policies. These policies encompass Training and Skills Development Programs, Job Placement Services, Subsidized Employment Programs, Work-Study Programs and Entrepreneurship Support initiatives promoting self-employment and small enterprises. Ten key programmes have been implemented to improve the employability of individuals in Mauritius. Despite this comprehensive array of policies and programmes, there are challenges in reaching the target population and thus a lack of awareness from certain segments about the availability of these opportunities. In addition, the skills provided through these training programs may not always align with the evolving demands of the labour market. Further, the dependence on financial incentives for employers may not guarantee the retention of jobs once subsidies are phased out. The data also shows a potential gap in the alignment between program registrations and successful job placements, warranting further examination of the programs' effectiveness.

Strategies:	Actions:
<ul style="list-style-type: none"> Encourage participation in the pre-employment programmes that will help in the development of necessary skills for enhanced employability 	1. Adjust the stipend provided on the different schemes to support individuals in the pre and post-employment programs adequately
<ul style="list-style-type: none"> Promote engagement in post-employment schemes for effective reskilling and upskilling of the workforce 	2. Align placements by collaborating with employers and industry stakeholders to understand their evolving needs and at the same time meet the expectations and skillsets of the unemployed
<ul style="list-style-type: none"> Foster greater collaboration with employers to increase job placements 	3. Revamp existing employment programs with skills required for emerging sectors (green economy, ICT/AI and blue economy)
<ul style="list-style-type: none"> Ensure better alignment of the programmes with the needs of emerging sectors 	4. Collaborate with different media outlets to widely broadcast information on current employment programs to increase participation rates
	5. Conduct targeted outreach activities to reach marginalised groups, youth, women, and persons with disabilities, and link them with the different employment programs
	6. Research and analyse the current labour market legislation to better understand the existing labour laws and regulations in place, including any rigidity or inflexibility that may hinder job creation and workers' mobility
	7. Strengthen the capacity of the National Employment Department (NED) to better align NEP recommendations with existing sectoral plans.
	8. Undertake regular monitoring and evaluation of the different employment and training programmes

Priority Policy 4: Promote Quality Employment: Decent Work and Social Inclusion

Mauritius recognises the importance of fostering quality employment that upholds the principles of decent work and promotes social inclusion. The policy priority revolves around creating an employment environment where individuals not only secure jobs but also experience dignified and fair working conditions. The objective is to ensure that employment opportunities are accessible to all segments of the population, irrespective of gender, age, ability, or socio-economic background. This involves creating an inclusive workplace culture that values diversity, addresses disparities, and promotes equal opportunities. Decent work encompasses various elements, including fair wages, reasonable working hours, social protection, and the elimination of discrimination. By emphasising these aspects, Mauritius aims to build a labour market that not only generates economic value but also prioritises the well-being and dignity of its workforce whilst respecting the rights of workers. The fourth priority policy is categorised into three sub-policies as per Figure 7 below.

Figure 21: Promote Quality Employment: Decent Work and Social Inclusion



Consultants' Computation, 2024

Sub-Policy 4.1: Prioritise Work-Life Integration for Well-being and Productivity

Work-life conflict is particularly more pronounced for women. This is partly the result of the persistence of patriarchal social norms in Mauritius causing working women to still perform the majority of household and care tasks; lack of childcare facilities in workplaces and high incidence of overtime hours in certain sectors. Further, with the demographic shifts (ageing population), the burden of providing care for elder household members has heightened the challenge of maintaining work-life integration, mainly for female workers. Policies targeted at increasing female labour participation rate without considering work-life integration aspects will result in women taking up jobs which are more accommodating of their family responsibilities. Pink collar jobs tend to be either part-time jobs and/or jobs with lower responsibilities/skills and hence lower pay and career prospects. This will accentuate the current gender gap in the labour market.

Following the enactment of the Employment Rights (Working from Home- WfH) Regulations in 2019, working from home has become the new normal way of running a business in many sectors, except in some sectors where face-to-face contact is crucial like the tourism and hospitality sector. In some sectors like the financial and banking sectors, WfH has led to cost

reductions such as transport costs and renting of buildings, without loss in productivity due to faster broadband connections and progress in ICT. WfH intensely and constantly might cause various challenges in terms of intensified stress due to excessive working hours; dealing simultaneously with personal life issues and work challenges and the pressure of being permanently reachable even during non-working days.

Outcomes:	Actions:
<ul style="list-style-type: none"> Increased flexible work arrangements in different sectors 	1. Undertake a study and survey to assess the introduction and impact of the different flexible and remote work options on workers and employers across different economic sectors
	2. Provide training on effective time management to help employees balance personal and work-related tasks.
Strategies:	3. Provide training programs on stress management, mental health and resilience for workers
<ul style="list-style-type: none"> Implement flexible work schedules, allowing employees to adapt their working hours to achieve better work-life integration 	4. Promote employment of women in certain sectors on a part-time basis

Sub-Policy 4.2: Equal Opportunities and Non-Discrimination

Inclusion and diversity are important elements in the labour market. The Equal Opportunities Act of 2008 prohibits indirect and direct discrimination based on age, caste, colour, creed, ethnic origin, impairment, marital status, place of origin, political opinion, race, sex or sexual orientation. Section 5 of the Workers’ Rights Act also opposes any sort of discrimination in employment and occupation. The Protection and Promotion of the Rights of Persons with Disabilities Act 2024 further makes provisions for the protection and promotion of the rights of persons with disabilities, and the provision for better measures to eliminate discrimination against them. The employment part of the Protection and Promotion of the Rights of Persons with Disabilities Act 2024 prohibits discrimination in employment.

Mauritius has ratified several International Conventions, to support inclusion and diversity. Some of them are the Universal Declaration of Human Rights; the Convention on the Elimination of Discrimination against Women (CEDAW); the International Convention on the Elimination of all Forms of Racial Discrimination (ICERD) and the Convention on the Rights of Persons with Disabilities (CRPD). As of October 2023, 13 companies have signed the Diversity, Equity and Inclusion (DEI) Charter of the National Committee of Corporate Governance.

Despite these laws, many disabled people after the training, remain unemployed and rely on the stipend from the Training Employment of Disabled Persons Board (TEDPB). In addition, though the Equal Opportunities Act of 2008 has recently been amended³⁰ to prohibit discrimination in employment on the grounds of a person’s criminal record, both at the

³⁰ Prior to the amendment of the Act, conviction-based discrimination was neither prohibited nor sanctioned in Mauritius. The prevailing practice in the Mauritian labour market was therefore not to employ prospective employees or promote employees with criminal records.

recruitment and promotion levels, many ex-detainees/convicts fail to get a job. Employers insist on the presentation of a “certificate of character” which makes it more difficult for ex-prisoners to secure jobs given their past. In many cases, these individuals are even denied opportunities for interviews. The Mauritius Institute of Training and Development (MITD) provides courses for prisoners in areas of masonry, carpentry, sewing or making pastries but they fail to secure employment after their sentence due to the “prisoner” tag.

Strategies:	Actions:
<ul style="list-style-type: none"> • Address equal opportunities, diversity, and non-discrimination in employment 	<ol style="list-style-type: none"> 1. Reinforce the application of the Law that enterprises with a workforce of 35 or more, have to employ at least 3% of people with disabilities
<ul style="list-style-type: none"> • Enhance the employability of persons with disability and ex-detainees 	<ol style="list-style-type: none"> 2. Implement accessibility measures in workplaces to accommodate the needs of disabled persons, including ramps, elevators, and accessible restrooms
<ul style="list-style-type: none"> • Increase awareness of diversity and inclusion in the workplace 	<ol style="list-style-type: none"> 3. Launch awareness campaigns to educate employers about the benefits of hiring disabled persons and promote a culture of inclusivity and diversity in the workplace
	<ol style="list-style-type: none"> 4. Partner with disability organisations to collaborate on initiatives aimed at promoting the employment of disabled persons
	<ol style="list-style-type: none"> 5. Establish job placement services focused on matching disabled persons with employment opportunities and providing support with job search

Sub-Policy 4.3: Promote greater gender equality in employment and working conditions

The gender pay gap is a major issue in the private sector relative to the public sector. More women are holding senior positions in government services, whereas in the private sector (though there has been some progress in recent years) key management positions remain male-dominated, particularly in sub-sectors like financial services and ICT (Business Mauritius, 2022). It has been pointed out that many senior positions in the private sector demand skills and qualifications related to STEM areas (Science, Technology, Engineering, And Mathematics). These are not popular fields of study among women who are more geared towards education, humanities and social sciences relative to men. The low female participation rate in the labour force further reinforces the shrinking workforce issue that the country is facing due to an ageing population, skills drain and low fertility rate amongst others. Some of the identified factors explaining such a trend in the women's participation rate are high costs for childcare and elderly care services, lack of flexible working hours and the predominance of patriarchal values and norms in the Mauritian society. Mauritius has enforced the policy for women's representation at 25% on Board of Directors and 30% in political parties. The new ‘Prime a L’Emploi Scheme’ is expected to increase the female employment rate in the near future, as companies will be allowed a 200% deduction for the

employment of newly recruited women or women who have been unemployed for at least a year.

Outcomes:	Actions:
<ul style="list-style-type: none"> Improved gender equality and equity in employment and wages 	1. Enforce the legislation to employ a specific percentage of women across enterprises
Strategies:	2. Implement and communicate clear and equitable promotion policies for all employees across different sectors
<ul style="list-style-type: none"> Address gender disparities in employment and wages 	3. Conduct regular pay equity audits to identify and rectify any gender wage gaps at the firm level
<ul style="list-style-type: none"> Increase the employability of women Promote STEM education among girls 	4. Develop mentorship programs to support the career progression of underrepresented employees
<ul style="list-style-type: none"> Address the disbalance between domestic and care responsibilities and paid work to mitigate gender disparities in the labour market 	5. Develop cross-functional training to break down gender-specific job stereotypes
<ul style="list-style-type: none"> Promote women in decision-making positions 	6. Design a mechanism for the application of parental leave

Sub-Policy 4.4: Ensure decent work for all with additional provisions for migrant workers

This sub-policy prioritises decent work for all with additional provisions for migrant workers. This ensures that every individual has access to productive employment opportunities that provide fair wages, social protection, and a safe working environment. Decent work for all encompasses various dimensions, including job security, equal opportunities, and respect for workers' rights. Adherence to labour standards and the promotion of work-life integration will foster inclusive growth. By prioritising decent work, Mauritius seeks to enhance social justice, reduce inequality, and promote sustainable development for the well-being of its workforce.

With a significant presence of foreign labour in various sectors, including hospitality, construction, and manufacturing, the government and employers must ensure fair treatment and adherence to labour laws. Striking a balance between economic needs and safeguarding the welfare of migrant workers involves rigorous enforcement of regulations, such as monitoring working conditions, ensuring timely payment, and addressing issues related to accommodation. In addition, the promotion of cultural integration and provision of essential services contribute to the well-being of foreign workers. By championing respect for human rights and fair employment practices, Mauritius can create an environment that maximises the positive impact of foreign workers while upholding their dignity and livelihoods.

Strategies:	Actions:
<ul style="list-style-type: none"> • Ensure comprehensive legal frameworks and regulatory mechanisms to safeguard the rights of all workers in terms of fair wages, safe working conditions and protection against discrimination 	<ol style="list-style-type: none"> 1. Encourage collective bargaining at the enterprise level 2. Provide fair hearings before a disciplinary board with an independent chairman 3. Promote unionisation of employees including foreign workers 4. Establish partnerships with countries and international organisations to strengthen cross-border cooperation on labour migration governance 5. Sign bilateral agreements between Mauritius and labour-supplying countries
<ul style="list-style-type: none"> • Enhance access to services and support through policies and programmes to improve workers' access to essential services and support systems, including healthcare, education, housing and social protection 	<ol style="list-style-type: none"> 6. Strengthen the one-stop shop at MLHRDT to give better support to foreign workers 7. Set up a Migrant Integration Hub/Centre for social and cultural exchanges 8. Provide access to trade unions based on representational status on the work site to educate foreign workers on their rights 9. Provide an interpreter in all instances

6. Management, Monitoring and Evaluation

The Ministry of Labour, Human Resource Development and Training will be responsible for the implementation of the NEP but other ministries whose actions directly influence current economic conditions as well as labour demand and supply have also a role to play in improving conditions for employment creation. The commitment of all key actors is critical to secure national ownership of the NEP as well as commitment to its ultimate implementation.

An effective Implementation and Coordination Mechanism

A high-level Tripartite Committee be set up and led by an administrative cadre to implement, monitor and evaluate the NEP under the Ministry of Labour, Human Resource Development and Training. The Tripartite Committee aims to ensure an effective implementation and coordination mechanism. Its membership will be drawn from the government, private sector, trade unions and civil society organisations to provide policy oversight and coordinate all employment-related matters. The Ministry of Labour, Human Resource Development and Training will support the committee's work in the coordination and implementation of the NEP. It will further be responsible for establishing a comprehensive accountability system for the NEP. The system will, among others, encompass an implementation plan with a set of employment targets and outcomes to be achieved as well as specific labour force-related indicators to measure progress towards the set targets.

The high-level Tripartite Committee will work closely with the National Labour Market Observatory and the Labour Market Information System to enhance data-driven decision-making and support evidence-based strategies and interventions. The National Labour Market Observatory will serve as a repository of labour market data and intelligence that will generate actionable insights to inform policy discussions and decision-making processes within the high-level Tripartite Committee.

Collaboration with other Ministries, Private Sector, NGOs and Other Institutions

As the lead government agency responsible for labour and employment matters, the MLHRDT plays a central role in the formulation, implementation, and monitoring of the NEP. It spearheads efforts to address challenges in the labour market and align policies with national development strategies such as Vision 2030 and the Government Programme 2020-2024. The MLHRDT will facilitate stakeholder consultations, coordinate policy initiatives, and ensure the effective implementation of the NEP policy priorities. The MLHRDT will work in close collaboration with different Ministries and institutions which administer various employment promotion programmes to ensure efficiency in promoting employment.

There will be close collaboration between the MLHRDT and the Ministry of Finance, Economic Planning and Development, for instance, to align employment policies with broader economic objectives. The Ministry of Finance, Economic Planning and Development provides strategic guidance on fiscal and monetary measures to support job creation. The Ministry will oversee budget allocations for NEP implementation and evaluate the financial feasibility of proposed interventions. The Ministry of Education, Tertiary Education, Science and Technology further plays a crucial role in the implementation of the NEP in addressing education and skills

mismatches. The Ministry of Education, Tertiary Education, Science and Technology fosters partnerships with educational institutions, industry stakeholders, and international agencies to enhance the quality and relevance of education and training programs, ensuring alignment with labour market demands. Other Ministries will also play a key role in promoting their respective sectors to create decent employment for all. The MLHRDT will work closely with these different Ministries to implement the NEP.

The private sector is a key stakeholder in driving job creation in Mauritius. Private enterprises contribute to NEP objectives by investing in emerging sectors, providing employment opportunities, and participating in skills development initiatives. The private sector also engages with the government and other stakeholders to shape policies conducive to business growth, innovation, and competitiveness. By fostering public-private partnerships, the NEP leverages the expertise and resources of the private sector to advance its goals of promoting quality employment and social inclusion.

Trade Unions, academia and NGOs play an active role in advocating for the rights and interests of workers, particularly vulnerable groups such as youth, women, and persons with disabilities. They contribute to the NEP through research, policy analysis, and grassroots initiatives aimed at promoting inclusive and sustainable employment practices. They provide valuable feedback on the implementation of NEP priorities, ensuring that policies remain responsive to the needs of all workers, particularly vulnerable ones. The successful implementation of the NEP will necessitate close collaboration between the MLHRDT and all these relevant stakeholders.

Developing a Monitoring and Evaluation Framework (MEF) for the NEP

The different components of the NEP will be subject to rigorous monitoring and evaluation to track progress towards achieving the set policy priorities and assess the efficiency and effectiveness of several interventions. A Monitoring and Evaluation Framework (MEF) for the NEP will be developed with input from relevant stakeholders, including government agencies, trade unions, academia, private sector representatives, civil society organisations, and international partners. The effectiveness of the MEF will be further enhanced by the National Labour Market Observatory and the Labour Market Information System.

The MEF will serve as a systematic approach to track progress, measure outcomes, and evaluate the impact of various interventions outlined in the NEP. It will comprise various components, including key performance indicators (KPIs), metrics related to labour market dynamics, data collection methods, reporting mechanisms, and evaluation criteria. These components will be carefully designed to align with the specific objectives of the NEP, ensuring comprehensive monitoring and evaluation across all policy priorities and sub-policies.

Medium-term strategies will be adopted to enhance the Monitoring and Evaluation System:

- Reinforce the capacity of the NED and hence the high-level Tripartite Committee (as per policy priority 1.1) to support and sustain effective monitoring and evaluation

- Set up an efficient system for generating relevant, reliable and timely quantitative and qualitative disaggregated information through the National Labour Market Observatory (as per sub-policy priority 1.1) and the Labour Market Information System (as per sub-policy priority 3.2)
- Foster participatory Monitoring and Evaluation
- Hold a “mid-term review” in 2026, to assess the overarching objectives to better align with the labour market situation.

Reporting Mechanism

A comprehensive reporting mechanism is essential for monitoring progress and assessing the impact of the NEP. The high-level Tripartite Committee, in collaboration with relevant stakeholders, will compile periodic progress reports detailing the implementation of NEP priorities, achievements, challenges, and lessons learned. These reports will be disseminated to policymakers, trade unions, civil society organisations, the private sector, and the general public to ensure transparency and accountability.

The reporting mechanism will include key performance indicators (KPIs) and milestones associated with each policy priority and sub-policy. Regular progress reviews and evaluations will enable stakeholders to track the effectiveness of interventions, identify areas for improvement, and make data-driven decisions to optimise NEP outcomes.

Effective stakeholder engagement, coordination, and reporting mechanisms are essential for the successful implementation of the NEP. By fostering collaboration among government agencies, trade unions, NGOs, the private sector, and other stakeholders, Mauritius can advance towards achieving its vision of decent, productive, and freely chosen employment for all citizens.

7. Policy Implementation Framework –Main Recommendations

		Responsible Agency	Estimated Cost	Time frame
1	Strengthen the NED – human and financial resources. Capacity building of current staff as well as recruitment of professionals – economists, statisticians and research analysts, etc	MLHRDT	Rs 8,000,000	2024-2028
2	Create a National Labour Market Observatory to generate microdata on the labour market, harmonise existing micro databases, undertake applied multidisciplinary research and produce evidence-based policies	MLHRDT	Rs 13,000,000	2024-2025
3	Set up a Sector Skills Council to enhance skills development. The Sector Skills Council will undertake Skill Needs Assessments in key economic sectors	BM and HRDC in collaboration with MLHRDT &HEC	Rs 3, 000, 000	2024-2025
4	Empower faculties in local public universities in terms of financial, human and infrastructural resources in the fields of engineering, ICT, environment and blue economy studies to develop programmes in line with industry needs and also increase their current intake	HEC, HRDC, Public Universities and MLHRDT	Rs 3, 000, 000	2024-2026
5	Strengthen MITD through the provision of both financial, infrastructural and human resources to increase its intake and design new courses in line with industry demands	MLHRDT and MITD	Rs 5, 000, 000	2024-2028
6	Uplift the Careers Guidance Service unit under the aegis of the MLHRDT in terms of human resources to ensure a coherent and holistic lifelong guidance system and act as a One-Stop Career Guidance Centre for youth and women in particular.	MLHRDT	Rs 2, 000, 000	2024-2028
7	Build a strong LMIS and integrate job-matching AI on the online job portal to enhance job-matching capabilities	MLHRDT with ILO Support	Rs 4, 000, 000	2024-2026
8	Revamp the different employment and training programmes	MLHRDT, HRDC, MITD	Rs 3, 000, 000	2024-2028
9	Regular monitoring and evaluation of the different employment and training programmes	ILO support and MLHRDT	Rs 1, 500, 000	2024-2026
10	Strengthen the One-stop shop at MLHRDT to provide support to foreign workers	MLHRDT	Rs 1, 500, 000	2024-2028
11	Set up a Migrant Integration Hub/Centre for social and cultural exchanges	MLHRDT	Rs 1, 000, 000	2024-2028
	Total Funds		Rs 45,000,000	

Annex 1: Methodology

Quantitative Approach

Secondary data from Statistics Mauritius has been used to assess the state of the economy. Important statistics from the Digest of the national accounts which cover information on the overall economy and its different sectors are being used. These include amongst others consumption, production, savings, employment, labour market participation, investment and trade.

Different labour market characteristics are analysed using five microeconomic databases:

- a. CMPHS - Continuous Multi-Purpose Household Surveys, from 2011 to 2022
- b. HBS- Household Budget Surveys 2007, 2012, 2018
- c. Survey of Employment and Earnings 2021
- d. Living Conditions Surveys – 2018/2019
- e. Census of Economic Activities 2018

Qualitative Approach – Interviews with Stakeholders

NEP stakeholders are ministries, businesses, trade unions, business associations, non-governmental organisations, training institutions and universities, as well as regional and international organisations. The number of partners has grown over the years to embrace more actors. A greater diversity of actors, but also more in-depth engagement is vital for the formulation of the NEP. The NEP partner's respective roles in dealing with employment challenges, strengthened national institutions, facilitated collective learning processes, opened up opportunities for new coordination and enhanced social dialogue and policy coherence to arrive at shared ownership of these solutions. Bringing on board a wide range of stakeholders, employment policies are increasingly becoming an agreed framework that describes the collective employment vision, not only for national stakeholders but also for development partners. In this case, a series of consultations via semi-structured interviews were organised with trade unions, government institutions, ministries, business organisations, private sector employers, and different business associations amongst others in parallel with the quantitative analysis. The interviews were carried out either online or in person and each interview lasted for around 1 hour or more. Four different questionnaires were used to adapt to the stakeholders. These were questionnaires tailor-made for the public sector, business organisations, trade unions, NGOs and international organisations.

Annex 2: Calculating Employment Elasticities

Employment elasticity is the percentage change in the number of employed persons in an economy or region associated with a percentage change in economic output, measured by gross domestic product. Within this broad definition, two methodologies are frequently utilized for calculating elasticities. The first technique, given in equation 1 below, is the arc elasticity of employment, ϵ_i (Kapsos, 2006)³¹:

$$\epsilon_i = \frac{(E_1 - E_0) / E_0}{Y_1 - Y_0 / Y_0} \text{-----eq 1}$$

where E shows employment between the period 0 and 1 and Y shows output between 0 and 1. However, this methodology is computationally simple and scholars (Islam and Nazara, 2000³² and Islam, 2004³³) have argued that the year-over-year employment elasticities calculated through this method lead to instability and may therefore be inappropriate for comparative purposes. Hence, a multivariate log-linear regression model is adopted as follows;

$$\ln E = \alpha + \beta_1 \ln Y + \mu \text{-----eq 2}$$

In equation 2, the elasticity of employment to GDP is given as β_1 . Thus, an elasticity of 1 implies that every 1- percentage point of GDP growth is associated with a 1-percentage point increase in employment. The Vector error correction model has been used to cater for endogeneity issues in the data set.

³¹ Kapsos, S., 2006. The employment intensity of growth: Trends and macroeconomic determinants. In Labour markets in Asia: Issues and perspectives (pp. 143-201). London: Palgrave Macmillan UK.

³² Islam, I. and Nazara, S. 2000. "Estimating employment elasticity for the Indonesian economy". ILO Technical Note, Jakarta.

³³ Islam, R. 2004. "The nexus of economic growth, employment and poverty reduction: an empirical analysis". Recovery and Reconstruction Department, Geneva, ILO.

Annex 3: List of Stakeholders Interviewed

	List of Stakeholders
1	Prime Minister's Office (Rodrigues, Outer Islands, and Territorial Integrity)
2	Ministry of Foreign Affairs (ITD)
3	Ministry of Gender Equality and Family Welfare
4	Ministry of Arts and Cultural Heritage
5	Ministry of Labour
6	MARENA under the Ministry of Energy and Public Utilities
7	CIDB under the Ministry of National Infrastructure and Community Development
8	Ministry of Tourism
9	Ministry of Industrial Development, SMEs and Cooperatives
10	Ministry of Health and Wellness
11	Ministry of Education, Tertiary Education, Science and Technology
12	Ministry of Housing and Land Use Planning
13	Ministry of Land Transport and Light Rail
14	Ministry of Youth Empowerment, Sports and Recreation
15	Ministry of Financial Services and Good Governance:
16	Ministry of Labour, Human Resource Development and Training
17	Ministry of Finance, Economic Planning and Development
18	Ministry of Industrial Development, SMEs & Cooperatives (Industrial Development Division)
19	Ministry of Public Service, Administrative and Institutional Reforms.
20	Ministry of Energy and Public Utilities – Sub Sectors
21	Ministry of Local Government and Disaster Risk Management
22	Ministry of Environment, Solid Waste Management and Climate Change (Solid Waste Management Division)
23	Ministry of Blue Economy, Marine Resources, Fisheries and Shipping
24	Ministry of Agro-Industry and Food Security
25	Mauritius Ports Authority
26	Attorney General Office
27	Ministry of Information Technology, Communication and Innovation
28	Ministry of National Infrastructure and Community Development
29	Prime Minister's Office, External Communications Division
30	Cargo Handling corporation
31	Ministry of land transport and light rail/ traffic management and road safety
32	National Transport Corporation
33	Metro Express
34	Ministry of Industrial Development, SMEs & Cooperatives (cooperative division)
35	Civil service college
36	Ministry of commerce and consumer protection
37	Office of the President
38	Ministry of Social Integration, Social Security and National Solidarity (Social Integration Division)
	Private Sector
40	Mauritius Finance

41	Rogers
42	State Bank of Mauritius Limited
43	ABSA Bank
44	Business Mauritius
45	Mauritius Chamber of Agriculture
46	Outsourcing and Telecommunications Association of Mauritius (OTAM)
47	AHRIM
	Trade Unions
48	Primary School Teachers' Cooperative Credit Union
49	SISEA
50	CTSP
51	Mauritius Trade Union Congress
52	UPSEE
53	University Staff Union (USU)
54	GGSU
55	BACECA
	NGOs
56	Kinouete
57	APEL
58	TIPA
59	JCI
60	CEDEM
61	Diams
62	Not a Number
63	PILS
64	Lovebridge
	Training Institutions
65	Middlesex University
66	Open University (2 interviews)
67	Open University
68	University of Technology Mauritius
69	Polytechnic Mauritius
70	MITD
71	University of Mauritius (2 interviews)
72	University of Mauritius
73	HRDC
	International Organisations
74	UNDP
75	IOM
76	World Bank
	Young People/ Students/ Women
77-81	University Students (5)
82-85	Young People -Unemployed (4)