

16.15 FAMILY PROTECTION SCHEMES

- 16.15.1 Family Protection Schemes are contributory schemes providing pension to the dependents of a contributor who passes away. At present, the three schemes that cover public sector employees are as follows:
- (i) the Civil Service Family Protection Scheme (CSFPS);
 - (ii) the Statutory Bodies Family Protection Fund (SBFPF); and
 - (iii) the Public Officers Family Protection Scheme operated by the State Insurance Company of Mauritius Ltd (SICOM).
- 16.15.2 With the proclamation of the Finance (Miscellaneous Provisions) Act No. 26 of 2012, the SICOM provides Family Protection Schemes to all employees joining the Public Sector as from 01 January 2013.

Civil Service Family Protection Scheme

- 16.15.3 The CSFPS provides for a monthly pension payable to the dependants of a deceased contributor, whether the latter dies in service or after retirement. Following the new pension scheme in the 2008 PRB Report, the CSFPS was revisited to reflect the pension reforms regarding the retirement age, computation of pension and qualifying period to benefit for a full pension. The salient features governing the CSFPS are as per ensuing paragraphs.

Rate of Contribution

- 16.15.4 The rate of contribution represents 2% of an officer's monthly gross salary.

Membership

- 16.15.5 The following persons are required to contribute to the scheme:
- (a) public officers who are appointed to a pensionable office;
 - (b) public officers who have been transferred to approved services and who have elected to continue contributing to the scheme;
 - (c) members of the National Assembly during their period of legislative service; and
 - (d) officers of the Civil Service Family Protection Scheme Board.

Contribution

- 16.15.6 Public officers in post as at 30 June 2008 may, while in service, opt to cease to contribute to the CSFPS on reaching 60 years of age. Members of the National Assembly, who served or were serving before 01 July 2008 and who opted to contribute at the rate of 2% may, during their legislative service, opt to stop contributing to the scheme on reaching the age of 60. However, in that case,

widows and orphans pension will be computed on the salary drawn at the time the member ceases to contribute to the scheme.

16.15.7 Public officers should cease to contribute to the scheme on the occurrence of the following events:

- (a) reaching the age of 65;
- (b) upon retirement, resignation and dismissal from the public service; and
- (c) when leaving the public service for any other reason.

16.15.8 Members of the National Assembly, who contributed at the rate of 2%, should cease contributing to the scheme on reaching 65 years of age. However, on ceasing to be a member but having not yet reached 65 years of age, they may opt to cease contributing to the CSFPS or continue contributing at the rate of 4% of their last salary drawn, to enable longer period of contribution.

Refund of Contribution

16.15.9 In the event no pension is payable, a 100% contribution with compound interest is refunded as follows:

- date of first contribution up to 31 December 1992: 2.5%
- contributions as from 01 January 1993 to eligibility date: 4%

to the contributor or his legal representative in the following circumstances:

- (a) at the time of leaving the public service, where:
 - (i) the contributor has either not contracted marriage, as defined in the CSFPS Act 1969, as subsequently amended, or is a widow/widower, provided that the contributor has no child; and
 - (ii) the contributor is a divorcee and has no child.
- (b) in case both husband and wife are contributors, the surviving spouse is refunded on the death of his/her spouse and he/she may opt (within 60 days of the event) not to continue contributing to the scheme; and
- (c) where contributors in post as at 30 June 2008 opt to cease to contribute at the age of 60 and no pension is payable.

Pensions

16.15.10 The pension payable under this scheme depends on the number of beneficiaries and their relationship to the contributor.

16.15.11 Upon death of the contributor, pension becomes payable to his/her spouse and/or his/her children. The computation of the monthly pension payable is hereunder:

Beneficiaries	Computation for Monthly Pension Payable
Spouse only	$1/3 \times 1/12 \times \text{BUP}^*$
Spouse and child/children	$1/2 \times 1/12 \times \text{BUP}$
One child but no spouse	$1/4 \times 1/12 \times \text{BUP}$
More than one child but no spouse	$1/2 \times 1/12 \times \text{BUP}$

*** BUP – Basic Unreduced Pension**

16.15.12 The BUP for public officers in post as at 30 June 2008 is computed at the rate of $1/600^{\text{th}}$ of the annual pensionable emolument at the date of death or at the date he ceases to be a public officer for each completed month of his contributory service, subject to a maximum of $400/600^{\text{th}}$. For those appointed as from 01 July 2008, the BUP is computed at the rate of $1/690^{\text{th}}$ of his annual salary at the date of his death or at the date he ceases to be a public officer, subject to a maximum of $460/690^{\text{th}}$.

16.15.13 As regards the members of the National Assembly in post as at 30 June 2008, their BUP should also be computed at the rate of $1/600^{\text{th}}$ of the annual salary of a contributor at the date of death or when he ceases to be member of the National Assembly for each completed month of his contributory service (not exceeding 400 months). For those who joined as from 01 July 2008, the BUP should be computed at the rate of $1/690^{\text{th}}$ of the annual salary of a contributor at the date of his death or when he ceases to be a member of the National Assembly for each completed month of his contributory service (not exceeding 460 months).

16.15.14 A surviving spouse's pension ceases on the death or remarriage of the beneficiary.

16.15.15 The pension payable to children should cease upon the last child reaching 18 years of age. In case the latter is receiving full time education, he should continue drawing the pension until such time he receives such education or attains the age of 21, whichever the earlier. The CSFPS Board may also approve the payment of pension to a child beyond the age of 18 years and not

receiving full time education, if the Board is satisfied that there are compassionate grounds for payment of such a pension.

- 16.15.16 Upon the death of a beneficiary, a full month's pension should be paid to his legal representative in respect of the month in which the beneficiary passes away together with a gratuity of an equivalent amount.

Recommendation 1

- 16.15.17 We recommend that the rate of contribution of the Civil Service Family Protection Scheme be maintained at 2%.**

- 16.15.18 We also recommend that the provisions governing the membership, contribution, refund of contribution and pension of the Civil Service Family Protection Scheme should be maintained.**

Pension in case of Actingship in a Higher Office

Recommendation 2

- 16.15.19 We recommend that the pension payable to the beneficiary of a contributor who has been acting in a higher office should be computed on the same salary used to compute the retiring pension.**

Computation of Pension for Members of the National Assembly

Recommendation 3

- 16.15.20 We recommend that the annual salary in respect of a member of the National Assembly should mean:**

- (i) the annual salary payable to a member immediately before he ceases to be a member; or**
- (ii) the annual salary drawn in respect of any office established by the Constitution and held by him at any time while he was a member,**

whichever is the higher.

Interest on Refund of Contribution

- 16.15.21 The mode of computation of interest paid on refund of contribution which is as per Act should continue to apply.

Recommendation 4

- 16.15.22 We recommend that the computation of interest on refund of contribution up to the date the contributor is eligible for a refund should continue to prevail.**

Statutory Bodies Family Protection Fund

- 16.15.23 Recommendations governing the SBFPF were revisited in the 2008 PRB Report to be in line with the CSFPS. The contributors to the Fund belong to the Local Authorities, Sugar Industry Labour Welfare Fund, Town and Country Planning Board, and the Statutory Bodies Family Protection Fund.
- 16.15.24 Furthermore, following the enactment of the Finance (Miscellaneous Provisions) Act 2012, the Statutory Bodies Family Protection Act was amended such that employees joining the Local Authorities and organisations concerned as from 01 January 2013 would contribute to the Family Protection Scheme run by the SICOM Ltd.
- 16.15.25 Being given that the existing provisions governing the SBFPF are still valid, we are upholding same.

Recommendation 5**16.15.26 We recommend that:**

- (i) **officers in post as at 30 June 2008 may, while in service, opt to cease to contribute to the Statutory Bodies Family Protection Fund on reaching 60 years of age. However, in that case, pension will be computed on the salary drawn at the time the member ceases to contribute to the scheme; and**
- (ii) **in respect of public officers in post as at 30 June 2008, the Basic Unreduced Pension (BUP) would continue to be computed at the rate of 1/600th of the annual salary of a contributor at the date of death or at the date he ceases to be a public officer for each completed month of his contributory service (not exceeding 400 months).**

Refund of Contribution

- 16.15.27 Members of the SBFPF as at July 1988 may opt for a refund of contribution in lieu of retaining eligibility to family benefits. This provision should continue to prevail.

Recommendation 6

- 16.15.28 **We recommend that existing members of the Statutory Bodies Family Protection Fund as at July 1988, who opt for a refund of contribution in lieu of retaining eligibility to family benefits, should continue to be refunded their contributions with compound interest at the rate of 4% per annum.**

Public Officers Family Protection Scheme

- 16.15.29 All employees joining the Public Sector as from 01 January 2013 are contributing to the Public Officers Family Protection Scheme which provides for the payment of a lump sum on the death of the employee/member.
- 16.15.30 In its last Report, the Bureau recommended that the SICOM Ltd should continue to align the Public Officers Family Protection Scheme, to the extent possible, with the Civil Service Family Protection Scheme and the Statutory Bodies Family Protection Fund. **This provision is being maintained.**

