

14. PUBLIC SERVICE PENSION

- 14.1 After each overall review exercise, the pension of retired public officers covered by Defined Benefits Scheme is recomputed based on the revised pensionable emoluments of the relevant grades as from the date of implementation of the revised salaries. Since no representations have been received in connection with this issue, the following provisions should, therefore, continue to apply for these public sector pensioners.

Recommendation 1

14.2 We recommend that:

- (i) pension of retired public officers should continue to be recomputed on the basis of the revised pensionable emoluments of the relevant grades as from 01 January 2026;
- (ii) where the pension of a pensioner, recomputed on the basis of the revised salary, works out to less than the pension payable as at 31 December 2025 inclusive of any cost-of-living allowance that may be paid as from 01 January 2026, the pensioner should be allowed to continue to draw the pension he was drawing as at 31 December 2025 together with the cost-of-living allowance, where applicable; and
- (iii) in the event a grade no longer exists but there are still pensioners who belonged to that grade, a hypothetical salary based on the nearest equivalent grade be worked out by the Pay Research Bureau, should be used. It should be noted that the nearest equivalent grade should not necessarily be a grade in the same organisation.

- 14.3 The above recommendations should also apply to pensioners of Parastatal and other Statutory Bodies, Local Authorities and the Rodrigues Regional Assembly.

Death of an Officer while in the Service

- 14.4 In the last Report, the Bureau recommended that the then Ministry of Finance, Economic Planning and Development considers the advisability of refunding the officers' share of contribution to the heirs when the officer dies in service.
- 14.5 The Pensions Act and the Statutory Bodies Pensions Funds Act have subsequently been amended through the Finance Act 2024. Provisions in the Pensions Act are such that **“for an officer who dies while in service, his legal personal representative shall be refunded his share of contributions which shall include the contributions of the officer for any previous service in a statutory body, provided that such service is reckoned as pensionable service”**.

