

Talk of the Town: Budget 2025-2026

The First Dilemma
Of The Ruling Coalition

The Budget proposal of the Alliance du Changement Government to increase the retirement age of the working population, the qualification for the Basic Retirement Pension (BRP) also known as the universal pension (or Old Age Pension) from 60 to 65 has been causing an immense upheaval in the country among workers (blue collar & white collar), trade unions and even politicians in Government and, the more so, on the Opposition.

It is a fact that with life-expectancy improving and the Mauritian population living longer and longer, the pensioning-off of workers at the age of 60 is already proving to be a burden on the State's finance as a result of the monthly disbursement for what is known as the universal pension {Basic Retirement Pension in Mauritius (formerly Old Age Pension)}. Every Mauritian is finally bound to understand this predicament which is experienced by all governments providing this scheme.

In France, the universal pension is payable at the age of 62, raising to 64 on a graduated scale. It has been said that the French Government's intention is to raise the pensionable age to 66. Yet, French workers contribute monthly from their wages to fund the pension scheme.

In the UK the qualifying age for the universal pension is 66 raising to 68. There is talk of increasing it to 70. In the UK, too, workers contribute via the National Insurance Contributions to receive the universal pension.

But both in France and England the nation has been made aware of the Government's intention to bring up the pensionable age allowing the people the opportunity to debate the pros and cons of the issue. In France interested parties have been resorting to public protests and even strikes resulting in consultations between unions and the right-wing Government. In England, too, feelings are running high against the ruling socialist government to introduce the unpopular measure to raise the pension qualifying age.

Non-Contributory

In Mauritius, the universal pension is non-contributory. It is perhaps the reason why the government of the day did not feel it necessary to inform the people of its intention to bring the retirement age to 65. The announcement of this decision in the 2025-26 Budget is sudden and brutal, and has taken the population by surprise. It hits the nation like a thunderbolt.

The PM says the country is complying with the dictate of the International Monetary Fund (IMF). Well, the PM could have warned the nation in advance of this compliance. This is



Bruneau Laurette Group marched at Rose Hill on 21/6



MMM leader Pravind Jugnauth marched with the Unions in Port Louis

where the shoe pinches. The explanation comes too late. The unannounced decision, without any previous warning, is considered to be a blunder on the part the new Government.

There is a sort of national consensus that the Prime Minister should have held a nationwide consultation to debate every aspect of this policy. But now that the bird has been let out of the cage, committees are being set up by Government to find solutions to the rift caused by the 2025-26 Budget announcement that retirement age will be increased to 65.

Now that the horse has bolted the Prime Minister is, in a way, closing the stable door. *Après la mort, la tisane*, He is now setting up committees to study the problem and to make recommendations to assuage the pains that the pension legislation will cause to the elderly.

There is also, now, an outcry for consultations from even the ruling party MPs who, while still attacking the previous government for the shortcomings of the present administration, agree with the setting-up of committees to make recommendations for redress.

One may ask the question as to whether there was no consultation among the majority parliamentarians before the legislation to increase the pensionable age was tabled in the Assembly. Yet, the Social Security Minister, Ashok Subron, agreed in Parliament that he was consulted about the *projet de loi* on two occasions. As a syndicalist, he should have foreseen the *tollé* that would ensue.

Popularity downward shift

As the retirement age is directly linked with the qualifying age for the BRP or Universal Pension (Old Age Pension - OAP), the proposed age to qualify for OAP in Mauritius is also being increased to 65. For this decision the popularity of the present Government has been reduced to zero. Mauritians of every age are protesting from the four corners of the island. They are marching. The whole country is marching. It has taken the Jugnauth Government's popularity ten years to be dented. It has taken the Ramgoolam's Government only 6 months to be severely undermined in public opinion.

Several electoral promises made by various candidates on the hustings are coming to haunt the Government. They made

lots and lots of promises and some with vigorous arrogance. *"I will not accept to be part of any government that does not set up a special commission to effect appointments "of constitutional posts,"* shouted Housing Minister Shakeel Mohamed on rooftop. This is not the case yet. Appointments are being among friends.

Prime Minister Navin Ramgoolam promised the people a substantial reduction in the price of fuel. The price has in fact gone down by a few rupees only to the dissatisfaction of the people. The PM also promised free medications like the British Health Service, Free Transport, Abolition of television licence fees, free internet to students and OAPs, free fare for some overseas trips etc. Social Security Ashok Subron said no income tax for the OAPs. On the hustings, they promised *"terre et ciel"*, as someone says.

The PM now declares that the promised goodies can't be provided because there is no money. *La Caisse est vide*", he tells the nation. The country's treasury has been dilapidated by the previous government, a litany repeated by everyone in the new administration . People say *"Tell it to the marines."*

Yes, Junior Finance Minister, Dhaneshwar Damry, is reported to have told the press *"We have five years ahead of us to deliver.* From this statement it may be inferred that the Alliance du Changement Government may wait until the last year prior to the next election to offer the goodies to the electorate as sweeteners.

In a previous article, I highlighted the fact that, within a week of taking office, the PM produced out of nowhere his State of the Economy report telling the nation that the outgoing government had squandered the assets of the country. The country was bankrupt. The nation will have to tighten the belt in response to the Government's efforts to redress the economy of the country.

People have been asking as to who prepared the State of the Economy report, who ordered it and when was it ordered. And the zouaves have all been swearing by the this report. It is believed that even Moody's used the State of the Economy report to assess its January 2025 notation of Mauritius. This famous organisation is an institution in which the Mauritian people have great confidence. It cannot fail.

More on next Page **Suresh Coonjee Beeharry**



No to Pension age increase



They are destroying the Welfare State we built, says former PM.



We are too old to work after 60

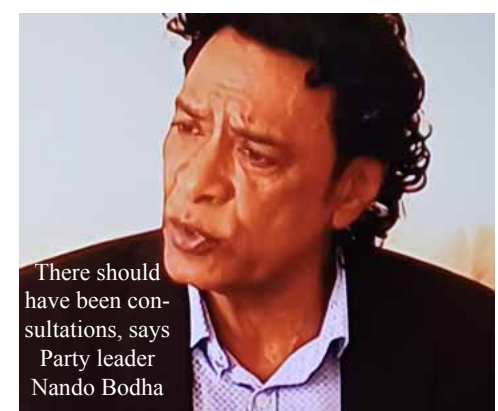


Activist Me Anoop Goodharry says there is money



Judgement of History is already here

Capital Mistake
Take the voters for granted



There should have been consultations, says Party leader Nando Bodha



Roshi Bhadain, Party leader, counting broken promises

Protests in Rodrigues too

Parti Rodriguais Travailler Democrate
P.R.T.D
Nous pé dir nou bane
dirigent vine cause la verité
avec peuple rodriguais
concernant pension retraite
65 ans



Retire manger dans nou la bouss

