



# How to perform the mandatory annual government salary increase (compensation) in Payroll Mauritius

FAQEN125

Prerequisites : Knowledge of payroll section management / Administrator access

V1.3

## Objective

Annually and as from January, the Government of Mauritius, following the recommendation of the National Wage Consultative Council, gives the minimum annual increase in the fixed salary of the Employees, as salary compensation for the increase in the cost of living.

For example, for the year 2020 the increase is set at + Rs 300 for monthly salaries below Rs 50,000 for Employee in at the 1<sup>st</sup> January.

Note: This increase is not automatically implemented by Payroll Mauritius as it is up to you to decide if you wish to give a higher increase per Employee. In this case, you will have to modify the Basic Salary by Employee by going to their Employee file, tab " Payroll Sections ", by Employee, indicating the desired amount, or even better by using the increase procedure (see FAQEN126).

## How to do this ?

For this increase, a common Payroll Section should be added.

Go to the 'Employer' section and click on [Common Sect.] then on [Add Section] and select Payroll Section Type 1010 in order to add a variable increase, since a condition of attribution is applicable (salary less than Rs 50,000) and present on 1 January (= did not arrive during the month of January).

The screenshot shows the 'Select Section Type' dialog box with the following table:

Code	Title	Description
1000	Basic Salary	Basic Monthly Salary
1000	Basic Salary	Basic Daily Salary
1010	Government Salary Increment	Fixed Government Salary Increment
1010	Government Salary Increment	Variable Government Salary Increment
1020	Company Salary Increment	Company Salary Increment
1050	Arrival Adjustment	Arrival Adjustment when after pay period
1060	Departure Notice	Departure Notice Payment
1070	Non Payable Adjustment	Non Payable Adjustment

The background interface shows the 'Employer' section with 'Common sect' (1) and 'Add Section' (2) buttons. The 'Employee' section shows a table with columns 'Multiplier' and 'Value'.



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Then enter a custom Section Title (1), an End date set at the end of the month in which you want the increase to take place (2), tick the same month (4) :

Enter formula (3) corresponding to "If the basic salary is less than Rs 50,000 and the Employee did not join after January 1st (= worked at least one month), then a minimum increase of Rs 300 is given, otherwise nothing":

$$\text{if}(\text{and}(\text{p.basic}<50000,\text{e.months\_worked}>1),1,0) \times 300$$

Note that you would get the same result if you put 1 in Multiplier Fixed/Formula, and in Value Fixed /Formula:  $\text{if}(\text{and}(\text{p.basic}<50000,\text{e.months\_worked}>1),300,0)$

Click on **[Validate Section]** button.

**Note:** This method can only be used for Basic Salaries expressed monthly (which is the case for the vast majority of Employees). If you are using a daily Base Salary, you should "manually" adjust the daily amount of the Basic Salary (in our example by adding + Rs 10 for example).

If you have part time Employees, please have a look on the Government law for the amount to give them.



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Going to the calculation of an Employee's Pay slip, now a new line is displayed:

Employees: New, Action

Period: Jan, 2020, Monthly Salary, Period settings, Close period

Salary calculation: Timesheets, Calculate

Declarations: NPF&NSF, Emoluments, PAYE, Accounting

Reports: Payments, Reports

Employer: Common sect, Company, Settings, Admin

Employees: Search, Reload

Department, Office/Site

Code Name

Code	Name
00004	AUMERRALY Priscilla
00010	BEEHARRY Sylviana
00002	DOE Jane
00001	DOE John
00009	DOE Tom
00005	DOSINGH Vishal
00012	LUCKNATH Vimal
00006	MAINGARD Emilie
00007	SOWEE Neerma

Name: DOE John [00001] Period: 24/Dec/2019 - 23/Jan/2020

Post: Ingénieur d'Etude Salary Date: 30/Jan/2020

NIC: D281189305330A TAN: T00001

Code	Sections	Revenue	Deduction
1000	Salaire Basique	25,000.00	
1010	Government Salary Increment	300.00	
2000	Transport	1,560.00	

Net Pay: Rs 26,025.00

## For the following months:

As soon as you close the period of the month of the increase (here January), the amount of Payroll Section Type 1010 (here Rs 300) will be **automatically added to the Basic Salary** (Section Type 1000) and Section 1010 will no longer appear: there will then be only one line that will appear on the Pay Slip (in our example, with a Basic Salary of Rs 25,300).