

**ORAL ANSWERS TO QUESTIONS**

**Madam Speaker:** I have to inform the House that PQ No. B/657 will be replied by the Minister of Civil Service and Administrative Reforms. Hon. Jhugroo!

*(P.Q. No. B/657 – See after P.Q. No. B/705)*

**AIR MAURITIUS LIMITED – PILOTS - RECRUITMENT**

**(No. B/659) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to Air Mauritius Limited, he will, for the benefit of the House, obtain from the company, information as to the number of -

- (a) aircrafts owned by the Company;
- (b) pilots presently employed thereat, indicating the number thereof who are -
  - (i) Mauritian nationals, and
  - (ii) foreign nationals and
- (c) pilots recruited during the last recruitment exercise, indicating the number thereof who are -
  - (i) Mauritian nationals, and
  - (ii) foreign nationals.

**The Deputy Prime Minister:** Madam Speaker, as already indicated in replies to previous Parliamentary Questions, Air Mauritius Ltd is a Company listed on the Stock Exchange of Mauritius and is governed by the Memorandum and Articles of Association and the Companies Act.

It would, therefore, not be appropriate to provide the information asked for by the hon. Member.

**MR T. F. G – FACILITIES - GRANT**

**(No. B/660) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to Mr T. F. G., he will state the capacity in which the services thereof have been retained over the period July 2005 to December 2014, indicating if he was appointed –

(a) adviser to the former Prime Minister and

(b) Board Member of

- (i) Airports of Mauritius Ltd.
- (ii) Mauritius Duty Free Paradise Ltd.
- (iii) Air Mauritius Ltd. and others, indicating in each case the terms and conditions of appointment and facilities extended thereto.

**The Deputy Prime Minister:** Madam Speaker, in regard to part (a) of the question, no contract of employment has been offered to Mr T. F. G. as Adviser to the former Prime Minister. However, according to information retrieved, he had been provided Government hospitality in terms of hotel accommodation on three occasions as follows -

- (i) from 17 to 19 February 2006;
- (ii) 15 and 16 June 2006, and
- (iii) from 10 to 12 February 2014.

Additionally, he was provided the following facilities -

- (i) chauffeur-driven car for his visit from 17 to 19 February 2006, and
- (ii) air tickets for himself and his spouse costing Rs135,426 for their visit from 10 to 12 February 2014.

In regard to part (b) of the question, Mr T. F. G. did not serve as Board Member of Airports of Mauritius Ltd, Mauritius Duty Free Paradise Ltd and Air Mauritius Ltd. Furthermore, these companies had not retained his services in any other capacity. However, Air Mauritius Ltd had provided him five free Business Class air tickets and hotel accommodation for his trips to Mauritius during the following periods -

- (i) from 21 to 23 August 2011;
- (ii) from 23 to 28 January 2012;
- (iii) from 24 to 26 June 2012;
- (iv) from 07 to 11 November 2013, and
- (v) from 09 to 10 July 2014.

These facilities were provided and the relevant expenditures for hotel accommodation were paid by Air Mauritius Ltd upon the authority of the then Chief Executive Officer of the company

**Mr Jhugroo:** Can the hon. Ag. Prime Minister confirm whether Mr T. F. G. has participated in all Board meetings of Air Mauritius in relation to the purchase of aircrafts at the request of the former Prime Minister?

**The Deputy Prime Minister:** Madam Speaker, as the Rt. hon. Prime Minister has stated some time ago, we are not responding with regard to the internal affairs of Air Mauritius Limited, being a listed company. Therefore, I am not able respond to the holding of its Board meetings.

**Mr Jhugroo:** Can the hon. Ag. Prime Minister inform the House on what ground free accommodation at Trou-aux-Biches Hotel plus free chauffeur-driven car from the Police car pool were provided to him?

**The Deputy Prime Minister:** There is no information in file, Madam Speaker.

**Mr Jhugroo:** Can the Ag. Prime Minister inform the House whether he is aware that Mr T. F. G. has acted as an intermediate for the purchase of aircrafts and also for duty-free products?

**The Deputy Prime Minister:** Madam Speaker, there have been statements made that this is the case. Madam Speaker, the House may note that, as far as the duty-free matter is concerned, this is in the hands of the Central CID. As far as the purchase of airbuses is concerned, the whole file has been sent by me at the beginning of the year to the Ministry of Financial Services, Good Governance and Institutional Reforms and it is now being reviewed by that Ministry.

**Mr Jhugroo:** Is the Ag. Prime Minister aware that, on 12 May 2011, the former Prime Minister requested Mr André Viljoen to liaise with Mr Laurent Obadia to arrange a meeting with Mr F. G?

**The Deputy Prime Minister:** Who is Mr F. G?

**Mr Jhugroo:** Frank Gleeson.

**The Deputy Prime Minister:** Madam Speaker, I don't have this information. This is a matter for either the Ministry of Financial Services, Good Governance and Institutional Reforms, which is reviewing the file, or the Central CID.

**Mr Jhugroo:** Is the hon. Ag. Prime Minister aware that Mr André Viljoen has provided free Business Class air tickets and free hotel accommodation to him and his wife, amounting Rs217,000, on five occasions?

**The Deputy Prime Minister:** Madam Speaker, I gave full information in the reply as to the hotel accommodation provided at Trou-aux-Biches, the air tickets paid - for one visit I have here. I have given that information, Madam Speaker.

**Mr Hurreeram:** Are you aware hon. Ag. Prime Minister that the former Prime Minister gave instruction to Mr André Viljoen that Mr Gleeson had to be kept updated about all the affairs?

**Madam Speaker:** The hon. Ag. Prime Minister cannot reply to a question to which the hon. Member is referring to another Minister.

**The Deputy Prime Minister:** I cannot be aware of this

**Madam Speaker:** The Table has been advised that PQ B/661 has been withdrawn. Next question, hon. Ramano!

#### **HUMAN RIGHTS COMMISSION – LEGISLATION - AMENDMENT**

**(No. B/661) Mr R. Uteem (First Member for Port Louis South & Port Louis)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the Human Rights Commission, he will state if consideration will be given for the law in relation thereto to be amended to increase the powers thereof to investigate into alleged cases of miscarriage of justice.

*(Withdrawn)*

## **HORSE RACING – COMMISSION OF INQUIRY — REPORT**

**(No. B/662) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether he will state if he has inquired from the Secretary for Home Affairs if he has officially received copy of the Interim Report of the Commission of Inquiry on Horse Racing submitted to him by the former President of the Republic and, if so, indicate the reasons why no action has been taken in regard to the recommendations made by the Commissioner and, if not, will he consider ordering an inquiry to be carried out to trace out the report at the Prime Minister's Office.

*(Withdrawn)*

## **QUATRE BORNES – LARCENY CASES**

**(No. B/666) Mr K. Ramano (Third Member for Belle Rose & Quatre Bornes)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to Quatre Bornes, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number of reported cases of –

- (a) theft, and
- (b) possession of stolen property, having been committed thereat, since January 2015 to date.

**The Deputy Prime Minister:** Madam Speaker, I am informed by the Commissioner of Police that from January to 08 October 2015, 569 cases of “larceny” and 5 cases of “possession of stolen property” have been reported to the two Police Stations situated in Quatre Bornes, that is, Quatre Bornes Police Station and Sodnac Police Station.

Out of the 574 reported cases, enquiry has been completed in 177 cases and the outcomes are as follows –

- The accused have been fined in 33 cases;
- 1 case has been dismissed by Court;
- 10 cases are awaiting Court action;
- In 3 cases the advice of the DPP is awaited;

- In 5 cases the accused have been conditionally discharged, and
- In 125 cases, these have been filed as the accused are unknown.

In the remaining 397 cases, enquiry is still ongoing.

Madam Speaker, I am further informed that the Police are doing its utmost to curb down the problem of larceny and possession of stolen property in the region of Quatre Bornes through, among others, the following measures –

- An Anti-Burglary Squad has been set up in the Western Division. The main task of the Squad, which comprises 8 Police Officers is to track down offenders on a 24/7 basis in that region;
- Aggressive stop and search operations targeting suspicious vehicles and persons loitering in the region;
- Directed preventive mobile patrols by Police Stations, the Criminal Investigation Division, the Emergency Response Service, the Special Support Unit, Bike Patrol and other Police Units, and
- Setting up of Neighbourhood Watch Schemes and sensitisation of residents on home securities, target hardening, elimination of opportunity factors and reporting of suspicious characters and suspicious activities through Hotline Crime Stoppers.

I am also informed, Madam Speaker, by the Commissioner of Police that he will beef up the human resources in terms of Police Officers at these two Police Stations.

**Mr Ramano:** Madame la présidente, est-ce que le Premier ministre par intérim est en mesure de nous confirmer qu'il existe seulement 12 officiers du *CID* pour une population de plus de 80,000 habitants ?

**The Deputy Prime Minister:** Madam Speaker, the information I have here in terms of CID Officers, we have in total 20 CID Officers, but I agree with the hon. Member that we have a problem that the number of reported cases has increased recently and this has been brought to the attention of the Commissioner of Police, and he has promised to do the necessary in terms of what I have stated, in terms of human resources.

**Mr Ramano:** Madame la présidente, peut-être que la question se pose quant à l'efficacité des *CCTV cameras* dans la ville de Quatre Bornes, que ce soit pour le centre-ville, et aussi peut-être, envisager la possibilité d'installer d'autres *CCTV cameras* dans d'autres régions de la ville de Quatre Bornes .

**The Deputy Prime Minister:** Madam Speaker, I had myself from the Tourism Fund installed the cameras, I think 39 cameras at Quatre Bornes. There are not enough cameras. We ought to have more cameras and the Police are aware of that and so is the Prime Minister's Office, but there are various procurement issues which have come in the meantime and there is delay in the installation of these cameras.

**Mr Ganoo:** Madam Speaker, the Ag. Prime himself acknowledged that the problem might be one of human resources. In view of the vast catchment area that Quatre Bornes Police Station has to monitor - Quatre Bornes, Belle Rose, La Source, Bassin, Palma - there have been in the past suggestions made by different organisations that the region of Bassin itself should be serviced with a separate Police Station or Police Post. Can I, therefore, ask the hon. Ag. Prime Minister to liaise with the Commissioner of Police, to consider this proposal to see whether it would be advisable to give the region of Bassin, which is huge area, a Police Station?

**The Deputy Prime Minister:** Madam Speaker, the Police are already planning a Police Post in Ebene on this site and I will certainly raise that with the Commissioner of Police.

**Mr Jhugroo:** Being given that we have started putting CCTV cameras everywhere in the country, can we know from the Ag. Prime Minister whether Police Officers have got a proper training with regard to the monitoring of these CCTV cameras, and secondly, if we have got Officers on a 24-hour basis monitoring the CCTV cameras everywhere in the country?

**The Deputy Prime Minister:** Madam Speaker, I will be happy to reply to a substantive question on that issue.

**Dr. Sorefan:** Madam Speaker, may we know from the Ag. Prime Minister....

*(Interruptions)*

Last week, I came with this issue of CCTV camera not functioning on the main road of St. Jean. Up to now, it is still the same. Is the hon. Ag. Prime Minister aware that we do not have a full technician maintenance for these cameras?

**The Deputy Prime Minister:** Madam Speaker, I am not aware of the functioning of the CCTV cameras. We need substantive questions so that this can be replied to.

**Madam Speaker:** Parliamentary Question No. B/667, in regard to the enlargement of the coastal road at Pointe aux Sables, will now be replied by the hon. Minister of Public Infrastructure and Land Transport. Questions to Ministers! Yes, hon. Dr. Sorefan!

*(P.Q. No. B/667 – See after P.Q. No. B/657)*

### **ROADS – RE-ASPHALTING**

**(No. B/668) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the roads, he will, for the benefit of the House, obtain from the Road Development Authority, information as to if consideration will be given for the inclusion of the scrapping of the old asphalt in the bid specifications for the re-asphalting thereof to avoid increasing the thickness of the asphalt thereof.

**Mr Bodha:** Madam Speaker, I am informed by the Road Development Authority that the actual practice in the process of re-asphalting of roads is to scrap and remove a layer of around 5 cm of the old asphalt before the laying of a fresh new layer. This process of removing the old asphalt is called milling and is undertaken with the specific objective of avoiding an increase in the thickness of the asphalt.

In some places, Madam Speaker, resurfacing is done without milling depending on the height of the footpath and the pavements.

As regards bid specifications, I am informed that the scrapping of the old asphalt is already included in the bids specifications for the Framework Agreement for Maintenance and Minor Works Contract (2014-2016).

**Dr. Sorefan:** Madam Speaker, regarding scrapping - that was a pilot study - they do not do it and it is not in the specification and wherever we go all around Mauritius, the asphalts are higher than the residence, so when we come and say that we are removing the asphalt, or say recycling, this is not true. In Mauritius, we are doing...

**Madam Speaker:** Ask your question, hon. Dr. Sorefan!

**Dr. Sorefan:** Will the hon. Minister see to it that this is adhered to because it is causing a lot of problems to the drains and to the inhabitants all around?

**Mr Bodha:** I thank the hon. Member for the question. In fact, he has made an interesting remark. The milling, in fact, has been imposed as from 2014, and before 2014 all resurfacing works were done as an additional layer which creates all the problems that he has

mentioned. What we are trying to do, Madam Speaker, is to consider the possibility of recycling the old asphalt as it is being done in South Africa and Malaysia. We will consider the possibility of milling and scrapping, milling and resurfacing so that we do not have an additional thickness with a new layer.

**Dr. Sorefan:** May we know from the hon. Minister what grade of asphalt we are using because, very recently, on the main road M1 coming to the North at about Bagatelle, near the bridge, the asphalt that is being used makes a lot of noise. I get the impression - with the experience that I have on asphalt - that the grade of asphalt is being lowered down with a higher percentage of binder in it and I am sure this will cause a lot of problems later on.

**Madam Speaker:** Hon. Dr. Sorefan, this is another question that you are asking which is not within your original question! You had a question on this, hon. Ramano?

**Mr Ramano:** C'est tout simplement pour savoir si une étude a été faite pour connaître la qualité de l'asphalte surtout est-ce que cela permet le recyclage de l'asphalte et aussi de savoir est-ce qu'il n'y a pas lieu de préciser la durée de l'asphalte ?

**Mr Bodha:** Madam Speaker, from what I understand, it is that there was a consultancy which was launched sometime back, but, in fact, we did not go ahead because of unavailability of funds. But I think that it is a very interesting question and whatever we are going to build now should be value for money and we should have the best quality and this is what we are going to include in all the new tenders.

**Madam Speaker:** Parliamentary Question No. B/670 in regard to the inter-ministerial committee set up to look into the issue of tariff protection for sensitive local industries addressed to the hon. Minister of Industry, Commerce and Consumer Protection will now be replied by the hon. Minister of Business, Enterprise and Cooperatives. Parliamentary Question Nos. B/674, B/675, B/677, B/687 and B/696 have been withdrawn! Yes, hon. Dr. Sorefan, next question!

#### **EMPLOYMENT RIGHTS ACT - SEVERANCE ALLOWANCE**

**(No. B/669) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Minister of Labour, Industrial Relations, Employment and Training whether, in regard to the Employment Rights Act, he will state if consideration will be given for proposed amendments to be introduced thereto to include the payment of severance allowance at

normal rate as was the case in the repealed Labour Act, thereby catering for two regimes instead of one, as is presently the case.

**Mr Callichurn:** Madam Speaker, as the House is aware, Government has, in its Programme for 2015-2019, announced that amendments would be brought to the labour legislation to better protect workers.

In this regard, I have set up a Technical Committee at the level of my Ministry under the Chairmanship of the Director of Labour and Industrial Relations to review the Employment Rights Act and the Employment Relations Act. All stakeholders have been invited to submit their proposals for amendments to the two pieces of legislation and the majority of them have already forwarded same.

The Technical Committee is currently reviewing the legal framework so as to ensure that it adapts and responds to the new challenges and is considering the proposals received from the stakeholders and would make appropriate recommendations to Government in due course.

Madam Speaker, I wish to inform the House that the Technical Committee has, so far, not received any representations from the trade union movement in regard to the reintroduction of the payment of severance allowance at normal rate.

However, on my own initiative, I have requested the Technical Committee, as part of the review exercise, to look into the question of the reintroduction of the payment of severance allowance at normal rate and its implications.

**Dr. Sorefan:** I would like to thank the hon. Minister for considering on his own self for this because this is the implication of it. Will the hon. Minister also consider going retroactive for those cases which have suffered this new law?

**Mr Callichurn:** Unfortunately, it will not be possible.

**Madam Speaker:** Yes, next question hon. Dr. Sorefan!

#### **SMEs - INTER-MINISTERIAL COMMITTEE**

**(No. B/670) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Minister of Industry, Commerce and Consumer Protection whether, in regard to the manufacturing sector, he will state if the Inter-Ministerial Committee set up to look into the

issue of tariff protection for sensitive local industries, especially against dumping practices, has submitted its report and, if so, indicate the findings thereof.

**The Minister of Business, Enterprise and Cooperatives (Mr S. Bholah):** Madam Speaker, an Inter-Ministerial Committee, under the chairmanship of the hon. Vice-Prime Minister, Minister of Housing and Lands, was set up by Government to look into barriers affecting the small and medium enterprises. The Inter-Ministerial Committee met in April, this year, and decided that a Technical Committee be set up, under my chairmanship, with the objective to examining the impact of the influx of imported products on the local market and to making appropriate recommendations for the protection and growth of the local industries.

The Technical Committee comprises officials from my Ministry, the Ministry of Foreign Affairs, Regional Integration and International Trade, the Ministry of Finance and Economic Development, the Ministry of Industry, Commerce and Consumer Protection, the Mauritius Revenue Authority and representatives from the Mauritius Chamber of Commerce and Industry and the Board of Investment. A number of meetings were held, under my chairmanship, and we agreed that such an exercise would require a comprehensive understanding and study of all the problems within the local context. For example, we conducted a thorough analysis of the different trade agreements under the relevant framework of organisations such as the WTO, SADC and COMESA, amongst others, which are commitments by which we are bound. While creating an enabling environment for regional and international cooperation, these agreements, nonetheless, hinder the development and growth of our local industry notably due to rapid and abrupt increases in imports.

In parallel, we also collected data about the ecosystem pertaining to the manufacturing sector at an international level so as to come up with measures that are in line with the current worldwide standard. We came to the conclusion that this is not an easy task and it would require ample time for a proper research work, amongst others, that would set the basis for discussion at the level of the Committee.

Madam Speaker, therefore, in view of the complexity of the assignment and the specific technical issues particularly relating to SMEs, a dedicated working group, led by my Ministry and involving all stakeholders was constituted and entrusted with the responsibility to make a full and detailed assessment of all issues affecting the domestic industries, and to propose remedial actions for consideration by the Technical Committee and the Inter-Ministerial Committee.

The Working Group has had a number of working sessions and they discussed lengthily on the pertinent issues such as tariff protection, anti-dumping and countervailing measures, imposition of customs duty and others. Proposals made by the Working Group have been discussed at the level of the Technical Committee. The Preliminary Report of the Technical Committee on Tariff Protection for sensitive industries has now been finalised and will be submitted to the Inter-Ministerial Committee in due course.

Madam Speaker, therefore, I am not in a position at this stage, to reveal to the House the contents of the Preliminary Report that has not been discussed, finalised and agreed upon at the level of the Inter-Ministerial Committee.

**Dr. Sorefan:** Is the hon. Minister aware that we have some products which are typically of Mauritius, say, Dodo, that are done by the Mauritian SMEs, are copied in Asia and reimported to Mauritius and this is causing a lot of problems to these people. Will the hon. Minister see to it that those specific products pertaining to Mauritius are not allowed to be copied and enter Mauritius?

**Mr Bholah:** This has been taken into account and this is very important and we want to protect all those SMEs which are involved in the manufacture of these products. This has been addressed as well.

**Mr Barbier:** Madam Speaker, may I ask the hon. Minister about the tariff? I heard the hon. Minister say that we are bound by convention or whatever rules of the World Trade Organisation (WTO) to implement the tariff policy which is prevailing since some years back and this is causing so much harm to our local industries, especially the manufacturing sector. May I know, as the developing countries did, whether they are actually imposing a percentage of importation from some countries? Instead of having tariffs, they are now - I will not name the country I have in mind - importing like 7% of these importations from China to protect the local manufacturing. So, will Mauritius also go in that direction?

**Mr Bholah:** Well, I can't pre-empt at this moment what the inter-ministerial committee will decide, but I am aware that on the international scene the barriers have been phasing out. I also understand that countries like Indonesia are re-introducing custom duties just to give a boost to their local industries. But we will take into account whatever you have said and we will see at the inter-ministerial committee what it comes to.

**MBC - MR A. M - SUSPENSION**

**(No. B/671) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien)** asked the Minister of Financial Services, Good Governance and Institutional Reforms, Minister of Technology, Communication and Innovation whether, in regard to Mr A. M., he will –

- (a) for the benefit of the House, obtain from the Mauritius Broadcasting Corporation, information as to since when and why he was suspended, indicating;
  - (i) where matters stand as to the inquiry carried out thereinto, and
  - (ii) if salaries and/or allowances, if any, have been paid out thereto and, if so, indicate the quantum thereof, and
- (b) state if he has been reemployed in any Government institution and, if so, give details thereof.

**Mr Bhadain:** Madam Speaker, I am informed by the Mauritius Broadcasting Corporation that Mr A.M., Desk Coordinator (formerly Chief News Editor) has been interdicted from his duties with effect from 23 July 2009, in view of the shortcomings and mismanagement in the organisation of the 'Pepsi Sega Hungama' programme.

The MBC Board had, at its meeting of 12 November 2010, referred the case of Mr A.M. to the Disciplinary Committee. I am informed that the meetings of the Disciplinary Committee were postponed for various reasons put forward by the Counsel of Mr A. M.

I am also informed by the MBC that Mr A. M. is still under interdiction and is being paid his monthly basic salary of Rs50,000 plus salary compensation at approved rates. The new management team of the MBC will certainly look into the matter, once the new Director-General is appointed.

Madam Speaker, as regards part (b) of the question, I am informed that as per available records, MBC is not aware whether Mr A.M. has been re-employed in any other Government institution.

**Mr Jhugroo:** Will the hon. Minister agree with me that dilatory tactics have been used by the lawyer to protract matters unnecessarily?

**Mr Bhadain:** Well, it certainly appears that it has taken a long time, Madam Speaker, and this is certainly not acceptable. The new management of the MBC will certainly look into this.

**MBC - SECURITY GUARDS - RECRUITMENT**

**(No. B/672) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien)** asked the Minister of Financial Services, Good Governance and Institutional Reforms, Minister of Technology, Communication and Innovation whether, in regard to the Mauritius Broadcasting Corporation, he will, for the benefit of the House, obtain therefrom, a list of the security guards recruited thereat, since July 2005 to December 2014, indicating in each case the –

- (a) residential address thereof;
- (b) reasons for recruitment;
- (c) mode of recruitment thereof, and
- (d) salaries and allowances drawn.

**Mr Bhadain:** Madam Speaker, I am informed by the Mauritius Broadcasting Corporation that since July 2005 to December 2014, 26 Security Guards were recruited.

I am tabling the information regarding the Security Guards, including their residential addresses, salaries drawn, date they joined and other details.

As regards parts (b) and (c) of the question, I am informed that, when the former management under the directorship of Mr D. Callikan took office in 2009, the contract for security services from Brinks Company was terminated with effect from 24 October 2009. At its meeting of 09 December 2009, the Board approved the recruitment of four ex-employees of Brinks and three additional persons from applications which were received at the MBC, on a freelance basis, for a proper roster system to be put in place.

From December 2009 to May 2012, the Board approved the recruitment of 19 more security officers from applications received at the MBC.

Following an internal advertisement in December 2012, 21 security officers who were still in service were offered employment on a permanent and pensionable basis with effect from 01 March 2013.

Madam Speaker, from a recent needs assessment conducted in September 2015, it has come to light that only 13 security guards are, in fact, needed. The remaining have been redeployed in other departments as handyworker/driver. For this one particular category, the roll went up to 26, meaning a 100% rate of overstaffing. This was all done by the previous regime, Madam Speaker.

**Mr Jhugroo:** Can the hon. Minister inform the House for what reason the MBC has to recruit security officers when we have the presence of Police officers, SMF officers and

CCTV cameras installed in each and every corner of the new building of the MBC as well as the coded magnetic door lock placed everywhere?

**Mr Bhadain:** Well, Madam Speaker, I certainly agree with the hon. Member that this was an abusive practice. I have recently answered to another PQ saying that since January 2015 until today nobody has been recruited at the MBC except for the former Director-General who has had his services terminated as well.

**Mr Jhugroo:** Can the hon. Minister confirm whether from the list of security officers just tabled, most of them come from Constituency No. 5?

**Mr Bhadain:** Well, yes. According to the list - I am not going to count the number of people, Madam Speaker - a lot of them do come from Constituency No.5.

**Mr Jhugroo:** Is the hon. Minister aware that out of the 20 security officers recruited at that particular time, two had been sacked because they were involved in the theft of powdered milk and one accused of theft of a mobile phone?

**Mr Bhadain:** Well, I am not specifically aware of theft of powdered milk or phones, but if that is the case, then that is the case.

**Mr Jhugroo:** Would the hon. Minister agree with me that the recruitment of these security officers was motivated by political consideration and is now proving to be a waste of public funds, rendering MBC to be in red?

**Mr Bhadain:** Well, I stated, Madam Speaker, that it is an abusive practice and this is certainly going to be looked into as well when the new management of MBC takes office.

#### **PLAINE VERTE – NEW GYMNASIUM & MULTIPURPOSE COMPLEX - CONSTRUCTION**

**(No. B/673) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Minister of Local Government whether, in regard to the proposed construction of infrastructures in Plaine Verte, Port Louis, he will state –

- (a) where matters stand in relation to the proposed construction of a new Gymnasium on the premises of the Concorde Garden, Plaine Verte, and
- (b) for the benefit of the House, obtain from the Municipal Council of Port Louis, information as to where matters stand in relation to the construction of a new Multipurpose Complex at Renaissance, Plaine Verte, indicating -
  - (i) the amount of money earmarked therefor, and
  - (ii) if fresh tenders have been launched therefor and, if not, why not.

*(Withdrawn)*

**FLEET MASTER LTD - FINANCE & STAFF**

**(No. B/674) Mr E. Jhuboo (Third Member for Savanne & Black River)** asked the Minister of Financial Services, Good Governance and Institutional Reforms, Minister of Technology, Communication and Innovation whether, in regard to Fleet Master Ltd., a subsidiary of Iframac Ltd., he will, for the benefit of the House, obtain information as to the financial and staffing situations thereof.

*(Withdrawn)*

#### **LE MORNE VILLAGE & LA PRAIRIE PUBLIC BEACH - EROSION**

**(No. B/675) Mr E. Jhuboo (Third Member for Savanne & Black River)** asked the Minister of Environment, Sustainable Development and Disaster and Beach Management whether, in regard to the coastal region between Le Morne Village and the La Prairie public beach, he will state the measures, if any, that have been taken to prevent the erosion thereof and the risk of the coastal road thereat collapsing.

*(Withdrawn)*

#### **CENTRAL PROCUREMENT BOARD – BIDS EVALUATION**

**(No. B/676) Mr S. Rughoobur (Second Member for Grand’Baie & Poudre d’Or)** asked the Minister of Finance and Economic Development whether, in regard to bids evaluation, he will, for the benefit of the House, obtain from the Central Procurement Board, information as to –

- (a) the criteria used when selecting the chairperson and the members of the evaluation panels thereof;
- (b) the number of training organized by the Board over the past three years in relation thereto, indicating in each case the -
  - (i) names of the trainers, and
  - (ii) costs thereof and, if not, why not, and
- (c) if the Board has assessed the reasons why the Independent Review Panel has allowed challenges on award of contracts during the recent months, and if so, indicate the remedial measures taken in relation thereto, if any.

**Mr Lutchmeenaraidoo:** Madam Speaker, with regard to part (a) of the question, I am informed by the Central Procurement Board (CPB) that the criteria used for selecting the chairperson and members of evaluation panels are competency, expertise in public procurement and knowledge about the item being procured.

All members including Chairperson and Vice-Chairperson of the CPB as well as the IRP and PPO are appointed by the President in accordance with advice tendered by the Prime Minister after consultation with the Leader of the Opposition.

Concerning part (b) of the question, training sessions on bid evaluation are organised by the Procurement Policy Office pursuant to section (7)(f) of the Public Procurement Act. I am informed that over the past three years, 14 training sessions were organised for the benefit of evaluators. In this respect, the names of the trainers are being tabled and I am informed that no fees were paid to them.

Madam Speaker, regarding part (c) of the question, I am informed by the CPB that during recent months, there was only one case where the determination of the Independent Review Panel (IRP) was not aligned to the recommendation of the Board. The IRP has referred the case to the CPB for re-evaluation and same is in progress.

**Mr Rughoobur:** Thank you, Madam Speaker. With regard to the issue of training, I understand it is the PPO which is in charge. The fact that the CPB is not only responsible for the evaluation of bids, but also responsible for the vetting of those bids prior to floating, will the hon. Minister look into the issue of ensuring that the CPB, along with the PPO, conducts appropriate training to ensure that we don't come across the issue that we get with bids that might need specification because they have this responsibility to vet? So the training issue becomes important, whether at evaluation or at the vetting stage.

**Mr Lutchmeenaraidoo:** Madam Speaker, I agree. I think that we need to increase on the training side for those who are doing evaluation of tenders. So, I'll transmit to the CPB the proposal of the hon. Member.

**Mr Rughoobur:** Well, I am going to table a very interesting report from the PPO on sustainable public procurement which was prepared in July 2011.

May I request the hon. Minister as well to ensure that the recommendations are implemented because as per what you have in the report here, an evaluation was made recently and it was found that most of those recommendations in that very interesting document prepared by the PPO have not been implemented. So, will the hon. Minister ensure that this is done?

**Mr Lutchmeenaraidoo:** Yes, Madam Speaker.

**Mr Rughoobur:** A final supplementary question, Madam Speaker.

**Madam Speaker:** Yes.

**Mr Rughoobur:** Thank you. The fact that we are speaking about e-procurement, will the hon. Minister ensure that the website of the Central Procurement Board is updated because, if you have a look, you will see that the former Chairman and Members are still there. If you could, please, look into this issue?

**Mr Lutchmeenaraidoo:** Thank you for the question. I will request the CPB to update its website.

**Madam Speaker:** Next question, hon. Rughoobur!

**Mr Rughoobur:** PQ No. B/677, Madam Speaker.

**Madam Speaker:** No. I am sorry, you have withdrawn PQ No. B/677. It is PQ No. B/678.

**Mr Rughoobur:** Yes. Sorry, Madam Speaker, PQ No. B/678.

#### **STATE LAND DEVELOPMENT COMPANY – UNIVERSITIES - CONSTRUCTION**

**(No. B/677) Mr S. Rughoobur (Second Member for Grand’Baie & Poudre d’Or)** asked the Minister of Finance and Economic Development whether, in regard to the project for the construction of universities, he will, for the benefit of the House, obtain from the State Land Development Company Ltd., information as to -

- (a) the amount of funds invested therein as at to date, indicating the -
  - (i) names of the consultants and of the selected contractors therefor, and
  - (ii) expected completion dates thereof, and
- (b) if the Company is exempted from the application of the provisions of the Public Procurement Act.

*(Withdrawn)*

#### **HUMAN RESOURCES DEVELOPMENT COUNCIL - MEMBERSHIP**

**(No. B/678) Mr S. Rughoobur (Second Member for Grand’Baie & Poudre d’Or)** asked the Minister of Education and Human Resources, Tertiary Education and Scientific Research whether, in regard to the Human Resources Development Council, she will, for the benefit of the House, obtain therefrom, information as to -

- (a) if the Board thereof has been constituted and, if not, why not;

- (b) the initiatives undertaken to ensure that Mauritius has the required trained human resources to develop the Information Communications Technology, financial services and tourism sectors;
- (c) if any action plan is/will be implemented therefor and if so, give details thereof, and
- (d) if a strategic partner has been appointed therefor and, if so, give details of the partnership and, if not, why not.

**Mrs Dookun-Luchoomun:** Madam Speaker, at the very outset, I wish to inform the House that in the context of the Budget 2015-2016, amendments were brought to the Human Resource Development Act by way of Section 22 of the Finance Act 2015 to provide for the Human Resource Development Council's membership to be reduced from 26 to 11 members and for the repeal of the provisions relating to its Executive Committee which comprised eight members. The rationale behind this review is to make provision for an efficient-sized Council that will enable better performance and quick decision-making at the HRDC.

While keeping in view the above objective and given that the former Council and Executive Committee have been repealed and lapsed, consultations are being held with stakeholders for the constitutions of the new Council which will be set up shortly.

Madam Speaker, as regards part (b) of the question, the HRDC by virtue of its mandate should provide the necessary human resource thrust for the successful transformation of Mauritian economy and has recently undertaken a number of initiatives to ensure that Mauritius has the required trained human resources to develop the Information Communications Technology, Financial services and Tourism sectors which has been mentioned in the Economic Mission Statement (Vision 2030) of the Rt. hon. Prime Minister as having the potential to generate growth, value and employment.

As part of such initiatives to determine the skills gap, the HRDC has, amongst others, conducted labour shortage surveys in ICT, Finance, Tourism and the skills surveys each involved some 100 companies. The outcome of the survey revealed that there was a need to improve skills across a number of these occupational groups.

An important initiative which goes in the direction to endow the country with the pool of trained human resources relates to the HRDC being the coordinating agency for the implementation of the Graduate Training for Employment Scheme and also acting as facilitator for the execution of the Youth Employment Programme (YEP), the Dual Training

Programme, amongst others. The YEP is targeting unemployed youth whereas the Dual Training Programme is focusing on Programme for both unemployed and existing youths.

The HRDC is working closely with the industry associations of the respective sectors and has during year 2014 financed a refund of some Rs75 m. for the training of about 15,400 employees for these three sectors. In addition, the HRDC is also partnering at the level of the consultative meetings which the University of Mauritius is having with the private sector for the mounting of demand-driven training programmes.

As regards the ICT/BPO sector, the findings of the labour shortage survey which was complemented by response from industry associations has provided inputs regarding occupational and skill needs in respect of job creation in the sector. In addition, the HRDC, in collaboration with major IT operators, also developed *Nomenclature des Métiers* for the ICT/BPO sector that gives a description of job profiles for the said sector and a guide for a decent career path to future entrants in this industry. Moreover, a Career Development Stairway has been developed and published specifically for the ICT/BPO sector to provide information on various employment and career opportunities through a web portal.

As mentioned above, it is also assisting in the implementation of a Graduate Training for Employment Scheme to provide sponsorship for training of unemployed graduates. Under this initiative, a postgraduate training in ICT is being mounted in collaboration with the industry operators. The YEP database would be used for the scheme. Some 1,900 employees were trained in ICT sector and involved some Rs11.3 m. for the ICT/BPO sector.

As for the financial sector, the HRDC survey identified priority skills in terms of training programmes for Financial and Investment Analysts, Tax Compliance Specialists, Anti-money Laundering Specialists, Insurance Underwriters, Auditors and Financial Consultants. The HRDC sponsored training for up to Rs47 m. for some 7,275 employees in the financial sector. The HRDC is also collaborating with professional associations for provision of a specific training programme such as the Professional Banker's Certificate and the mounting of a conversion courses for unemployed graduates in the field of Finance/Accounting.

In the tourism sector, the HRDC is working in collaboration with *l'Association des Hôteliers de l'île Maurice (AHRIM)*, *l'Ecole Hôtelière Sir Gaëtan Duval* and participating hotels, to facilitate training in the field of tourism and hospitality. The HRDC is facilitating

the implementation of a Skills Development Project for unemployed in the tourism sector. Salient examples include training in Hazards Analysis and Critical Control Points, (HACCP) implementation, luxury pastry production, basic food hygiene training, handling customer complaints, service procedures, among others. The HRDC has refunded around Rs17 m. for some 6,200 persons last year.

In addition, the HRDC is sponsoring the dual mode of apprenticeship scheme which is being implemented by the MITD, especially for the hospitality sector. Under this Apprenticeship Scheme, some 300 persons benefited under the HRDC sponsored scheme for the hospitality sector.

Madam Speaker, as for part (c) of the question, all the initiatives mentioned earlier will be complemented by the formulation of a new National Skills Development Strategic Plan for Mauritius. The HRDC Action Plan includes the conduct of national skills studies for 10 sectors of the economy, covering some 1,500 enterprises.

Part (d) of the question, Madam Speaker. As for part (d) of the question, no strategic partnership has been established at the HRDC. The HRDC is not a training organisation *per se*. However, we have received technical assistance from Singapore under the World Bank sponsorship to undertake a scoping mission for the HRD sector, this in view of setting up the polytechnics which will be covering the ICT, tourism and paramedical fields. Recommendations are being finalised.

**Mr Rughoobur:** The hon. Minister has been speaking about the National Human Resource Development Plan. Actually, the plan was prepared in 2009, I think, and I wanted to know from the hon. Minister whether there has been any evaluation of the recommendation to date and what has been the outcome because we note that there is actually a deficit in the services sector, that's why I mentioned the three sectors?

**Mrs Dookun-Luchoomun:** In fact, Madam Speaker, we have learned a lot about mismatch between the training people are getting in Mauritius and the world of work, and this is why we have been reviewing the whole sector and we are coming up with new surveys and new training programmes.

**Madam Speaker:** Yes, hon. Rughoobur!

**Mr Rughoobur:** Speaking about the Grant Scheme, it is true that we speak of big sums that are being spent, but probably if the hon. Minister can look into the funds that are really being used by those employers in sectors where we need really training, that is, we encourage employers in the services sector, for example, to use those schemes, those grants because even in this Human Resource Development Plan you have issues, recommendations where employers have to be encouraged to use the Grant Scheme which is not being used adequately.

**Mrs Dookun-Luchoomun:** Madam Speaker, employers are refunded up to 60% of this amount spent and the projects that are being carried out right now involve consultations between the training centres, the university and the private sector. I feel that the private sector has plenty of encouragement being given to them through the HRDC and through the other institutions, which are working in collaboration with them, so as to ensure that training provided will suit the world of work.

**Madam Speaker:** Hon. Fowdar!

**Mr Fowdar:** Thank you, Madam Speaker. I heard the hon. Minister saying that the number of Board members was reduced to eight. Does it mean that some sectors of the economy represented in the HRDC are no more there now?

**Mrs Dookun-Luchoomun:** Madam Speaker, the number has been reduced from 26 to 11 and we feel that this will be more efficient and less cumbersome.

**Madam Speaker:** Next question, hon. Rughoobur!

### **CWA - PAILLES - TREATMENT PLANT PROJECT**

**(No. B/679) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the Treatment Plant Project at Pailles, he will, for the benefit of the House, obtain from the Central Water Authority, information as to the -

- (a) costs thereof, indicating the amount of variation costs
- (b) date on which it will become operational, and
- (c) if an inquiry has been carried out thereinto and, if so, indicate the outcome thereof.

*(Withdrawn)*

### **APOLLO BRAMWELL HOSPITAL - ACQUISITION**

**(No. B/680) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Minister of Finance and Economic Development whether, in regard to the Apollo Bramwell Hospital, he will, for the benefit of the House, obtain information as to the -

- (a) funds that have been used for the acquisition thereof;
- (b) procedures that have been followed for the acquisition thereof ;
- (c) monthly income and expenditure thereof since the acquisition thereof to date, and
- (d) intended use thereof.

*(Withdrawn)*

### **BOARD OF INVESTMENT - RESTRUCTURING EXERCISE**

**(No. B/686) Mr S. Rughoobur (Second Member for Grand'Baie & Poudre d'Or)** asked the Minister of Finance and Economic Development whether, in regard to the Board of Investment, he will, for the benefit of the House, obtain therefrom, information as to -

- (a) if a full restructuring exercise is being or will be undertaken thereat to enable the Board to respond to the increasing need of the Mauritian economy to attract adequate Foreign Direct Investments;
- (b) the amount of Foreign Direct Investments;
  - (i) generated, excluding real properties, through promotional activities during the year ending 31 December 2014, and
  - (ii) expected for the year ending 31 December 2015, and
- (c) give details as to the share representing the manufacturing sector and the services sector, respectively.

**Mr Lutchmeenaraidoo:** Madam Speaker, since my coming into office and the reconstitution of the new Board in March 2015, I requested that the organisation be restructured for greater effectiveness and to be fully aligned with the Government vision.

The restructuring exercise of the Board of Investment was completed in August 2015. The BOI is now structured, with a new vision and mission, along both market and sectoral clusters with special focus on attracting sustainable and productive investments. It is also making greater promotional efforts in emerging markets. To this end, the Board of Investment has opened an office in France and seven more are being set up in South Africa, India, UK, China, Switzerland, USA and Russia.

Madam Speaker, we are constrained by the high level of public sector debt and our commitment to reduce that debt to 50% of GDP by 2018. As such, the economy relies strongly on private sector investment and FDI.

The investment needs associated with the development of the port, the Highlands Administrative City, the Riche Terre logistics zone and other smart cities rely a lot on private sector and FDI.

Madam Speaker, with regard to part (b) (i) of the question, the total FDI, excluding real estate activities and hotel acquisition, amounted to some Rs4.5 billion for the year ended 31 December 2014. As regards to part (b) (ii) of the question, based on projects which are in the pipeline at the BOI, Foreign Direct Investment is expected to be between Rs11 to 12 billion for the year 31 December 2015.

I wish to highlight that several major projects related to the manufacturing sector that we have in the pipeline will trigger, sooner or later, new FDI flows and export earnings. Most of these investments take the form of green-field investments, that is, investment that directly creates or expands production facilities.

As far as part (c) of the question is concerned, in 2014 the share of FDI attributable to manufacturing was around Rs76 m. while that of the services sector, excluding hotel acquisition, amounted to some Rs4 billion.

**Madam Speaker:** Hon. Rughoobur!

**Mr Rughoobur:** Referring to the restructuring of the BOI, will the hon. Minister please look into the issue of the creation of a separate unit for looking into the whole issue of

investment in Africa? Will the hon. Minister please look into the creation of an African desk, if I may say so?

**Mr Lutchmeenaraidoo:** Madam Speaker, in fact, the BOI has set up an Africa desk to ensure the channelling of all the investments that are now going in Africa through Mauritius.

**Madam Speaker:** Hon. Barbier!

**Mr Barbier:** Thank you, Madam Speaker. I learnt that, with respect to the PDS and the RES, actually the investors are complaining having some difficulties to comply with the Project Development Scheme compared to the RES, which was more flexible. I would like to know whether the hon. Minister did get any complaint or any remark in that respect and whether he proposes to remedy the situation.

**Mr Lutchmeenaraidoo:** Yes, Madam Speaker. In fact, we moved away from the IRS because of its gated community concept where foreigners all live together. So, this was abolished and we moved towards the Property Development Scheme (PDS) and one of the conditions of the scheme is that 25% of apartments or homes should be sold to Mauritians or non-resident Mauritians. This is fundamental to ensure that those communities represent the country and also foreigners. Now, there have been some suggestions that we should remove it. I must say that I would stand against it because before that the IRS system encouraged a way of living in Mauritius where the rich were enclosed in their own programme. So, I think, we will stick to the 25%. Anyway, the point that was put was this. The Mauritians would not be in a position to buy those apartments at the price foreigners are prepared to pay. But, in that case, they have to do some cross-subsidisation, that is, they sell higher price for foreigners and then at a cheaper price for Mauritians.

**Madam Speaker:** Hon. Rughoobur!

**Mr Rughoobur:** We are putting a lot of emphasis on new sectors like ocean economy. Will the hon. Minister please ensure that, while the BOI is putting so much emphasis on the new sectors, that there is also emphasis put on consolidation of existing sectors like ICT/BPO, financial services and the manufacturing sector as well?

**Mr Lutchmeenaraidoo:** Well, the allocation of resources for the new sectors does not exclude allocation of resources for the existing sectors. So, I think both are given equal treatment.

**Madam Speaker:** Next question!

**Mr Ganoo:** Can I ask one question, please?

**Madam Speaker:** Yes.

**Mr Ganoo:** I wish to come back on the answer that the hon. Minister of Finance and Economic Development just gave concerning the change in the scheme of the PDS, the IRS and the RES. He suggested that the solution would be to cross-subsidise, and if I understand him properly, impose on the operators the necessity to sell to Mauritian buyers at a reduced price. But, of course, this has constitutional implications in terms of property rights. How will that work in practice?

**Mr Lutchmeenaraidoo:** Well, this is a proposal which I am making, Madam Speaker. It is for the promoters to ensure that their project is viable. We insist, as a nation, that gated communities should disappear in this country.

**Mr Ganoo:** Can the hon. Minister, if you will allow me, Madam Speaker...

**Madam Speaker:** Last question!

**Mr Ganoo:** Regarding the manufacturing sector, doesn't the hon. Minister of Finance and Economic Development agree that this sector has slowed down considerably during these past years, and what are the measures and remedies he intends to come up with?

**Mr Lutchmeenaraidoo:** We have to, in fact, agree that foreign investment, especially in the manufacturing sector, has gone down substantially. I have asked the BOI to ensure, therefore, that while we are promoting those new sub-sectors of the economy, we don't forget that manufacturing is basically substance in terms of value added.

**Madam Speaker:** Next question, hon. Ganoo!

## **POVERTY - MARSHALL PLAN**

**(No. B/687) Mr K. Ramano (Third Member for Belle Rose & Quatre Bornes)** asked the Minister of Social Integration and Economic Empowerment whether, in regard to the Marshall Plan against poverty, he will state the –

- (a) overall costs and timeframe set for the elaboration thereof;

- (b) expected number of families who will be concerned therewith;
- (c) financing aspect thereof, taking into consideration eventual input of funds from the Corporate Social Responsibility, and
- (d) complementary aspect thereof with the Love Bridge Project.

*(Withdrawn)*

#### **DBM – EMPLOYEES & RESTRUCTURATION**

**(No. B/688) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Minister of Finance and Economic Development whether, in regard to the Development Bank of Mauritius Ltd., he will, for the benefit of the House, obtain therefrom, information as to –

- (a) the number of employees thereof
  - (i) whose employment have been terminated over the period January 2015 to date and
  - (ii) in post as at to date and
- (b) where matters stand in relation to the proposed restructuring thereof.

*(Withdrawn)*

#### **CSR - POCHEs DE PAUVRETÉ - SPONSORING**

**(No. B/689) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Minister of Finance and Economic Development whether, in regard to the Corporate Social Responsibility, he will, for the benefit of the House, obtain a list of the thirty-eight companies which are sponsoring *poches de pauvreté*, indicating in each case, the *poches de pauvreté* which are being sponsored.

*(Withdrawn)*

#### **CWA - STRATEGIC PARTNER**

**(No. B/690) Mr A. Ganoo (First Member for Savanne & Black River)** asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the Central

Water Authority, he will, for the benefit of the House, obtain therefrom, information as to if any decision has been taken to seek a strategic partner therefor and if so, indicate –

- (a) when the decision therefor was taken;
- (b) the reasons therefor, and;
- (c) if studies had ever been carried out in relation thereto and if so, indicate the findings thereof.

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo):** Madam Speaker, with your permission, I shall reply to PQ B/690 and B/700 together. As soon as I took office, I took stock of the various attempts by successive governments to reform the water sector. All these attempts have failed.

I also met with the senior management team as well as the trade union of the CWA.

I was struck by the quality and competence of all those I met in the course of these meetings. However, the CWA is beset by a series of financial and administrative incapacities, and we will not be able to provide to the population good water quality on a 24-hour basis, seven days a week, unless we take bold reforms.

I have reached the conclusion that the daunting challenges of the CWA cannot be addressed within the existing institutional structures.

However, I will use extreme prudence before presenting a plan for reform. Of course, all stakeholders would be informed as and when it is felt appropriate.

Several options are now being examined and it would be premature to discuss them at this point in time.

**Mr Ganoo:** I can understand fully well the strategy, but can the hon. Vice-Prime Minister tell us whether a Committee has already been set up to think about the options to strategise?

**Mr Collendavelloo:** Well, we have met - I think I can disclose this - with representatives of the *Banque Africaine de Développement (BAD)*. We are working internally on the options which are available to us. Essentially, there are three options: Management contracts, which have failed; the concept of *Affaire Mage*, which is an interesting one; thirdly, outright privatisation, which is not to be excluded, but which will lead to more ripples

than the first two contracts. The hon. Member has been Minister of Energy, he knows what it means to be in charge of the CWA. He lost his hair when he was Minister of Energy...

*(Interruptions)*

**Mr Ganoo:** Fortunately, there are other means to regain hair lost now! The hon. Vice-Prime Minister has himself made reference to past studies. There was one study which was made by the IFC when the MMM/MSM Government was in power and the IFC is part of the World Bank, as the hon. Minister knows, and this report took around three years. The enquiries were made for about three years and, finally, the report was submitted to the Government of this time, I remember that even hon. Sithanen, when he was Minister - and the MMM/MSM was in the Opposition - he paid tribute to that Report. Therefore, may I ask the hon. Vice-Prime Minister whether his Ministry can revisit this IFC Report before taking any decision?

**Mr Collendavelloo:** Well, nothing came out of this Report. I think times have moved now. We just have to scrape the ground and start afresh. I do not think all these reports have failed. I see papers here, listing all that has been attempted since 1999. I mean, this is daunting. And, certainly, Mr Sithanen is not a reference to me.

**Mr Ganoo:** One last question!

*(Interruptions)*

**Madam Speaker:** Hon, Jhugroo, please!

**Mr Ganoo:** Madam Speaker, the IFC Report did not fail. In fact, when the MMM/MSM Government lost power, the Labour Government, which came afterwards, shelved the report. In fact, I have a summary of the recommendations of the report, Private sector participation in Mauritius Water and Sanitation and there are many recommendations which the IFC made,...

**Madam Speaker:** Ask your question, hon. Ganoo!

**Mr Ganoo:** ...including the option which the hon. Vice-Prime Minister just mentioned. May I, therefore, ask him - not only the IFC Report, but even, I think the Singaporeans came afterwards, a team of experts and they also made a study and I think submitted a report to the then Labour Government. I am just asking the hon. Vice-Prime Minister whether the Committee which will look at the right strategy, the right option, takes on board whatever good there are in these reports?

**Mr Collendavelloo:** Yes, I will consider this, although, personally, I do not have much faith on these fly-by-night experts, whether they come from high-flying institutions or otherwise. I will, on occasion arising, be glad, be happier to discuss the matter with the hon. Member than with all sorts of people who do not know about the Mauritian context.

**Mr Barbier:** The hon. Vice-Prime Minister mentioned that there have been many attempts to improve the water sector in Mauritius but, unfortunately, at no end. May I know from the hon. Vice-Prime Minister, being given that we are now on the right path and actually consumers are in big difficulty to pay the combined bills of water and sewerage together, what guarantee will he give to the House that there will be no increase in whatever option the Government choose in the tariff of water to the consumers?

**Mr Collendavelloo:** I cannot give that guarantee at all. The water tariffs are extremely low, that's all, but if you increase water tariffs now that you have not been able to give some relief to the population, people will legitimately be asking questions. But the water tariffs will need to be increased privatisation or no privatisation.

**Mr Ganoo:** Can the hon. Vice-Prime Minister, at least, give a guarantee as regards the workforce at the CWA, whether there will be any...

**Mr Collendavelloo:** No, I cannot give any guarantee, I am sorry. No guarantee is possible. If we start talking of workforce and we will see the scandals of contracts which are being awarded, you will understand that I am not going to give any guarantee at all.

**Madam Speaker:** Next question, hon. Ganoo!

#### **PUBLIC PARKS, GREEN SPACES & ROADS - TREES – SECURITY HAZARDS**

(No. B/691) **Mr A. Ganoo (First Member for Savanne & Black River)** asked the Minister of Environment, Sustainable Development and Disaster and Beach Management whether, in regard to the public parks, green spaces and roads, he will state the measures that his Ministry proposes to take to avert the risk of accidents caused by the potential danger represented by trees, following the fatal accident which was caused by the fall of a tree on a car parked near the London Supermarket, in Vacoas, on 21 September 2015.

**Mr Dayal:** Madam Speaker, I shall, with your permission, reply to the Parliamentary Question in my capacity as Acting Minister of Agro-Industry and Food Security.

First of all, I wish again to express my deepest sympathy to the family of the person who passed away in the tragic accident caused by the fall of a tree in the parking of the London Supermarket in Vacoas on 21 September last.

In fact, following the accident, a survey of the area was carried out by the Conservator of Forests at the request of the Sub-Division of Commander of the Vacoas Police Station. The Conservator of Forests has reported that the fallen tree was a mature 'Araucaria' tree of 62 cm diameter growing along a privately-owned lane. The tree was severely attacked by termites at the base on a length of one metre from the ground. There were also some 60 palm trees about 15 to 20 metres high along the same private lane and four other rotten 'Araucaria' trees on the parking area of the food court which represented security hazards. The Police was requested to inform the owners to take immediate actions to remove these trees. I am informed that these trees have been removed safely.

The Police enquiry on the accident case is ongoing.

Madam Speaker, let me now clarify the roles and responsibilities of each authority regarding the felling and maintenance of trees growing all over the country. The present legislation, namely the Forests and Reserves Act 1983 provides for the Forestry Service of the Ministry of Agro-Industry and Food Security to exercise control over these trees on all State lands. These include State forest lands, public parks, public beaches, offshore islets, Government-owned premises such as educational institutions and hospitals. The Forestry Service also has jurisdiction over road and river reserves and mountain reserves which are owned by both the State and private owners. The prior authorisation of the Conservator of Forests is required for the felling of trees or the lopping of branches on all these specified lands.

As per existing policy, all requests for felling of trees or lopping of branches on State lands are channeled to the Forestry Service which makes appropriate recommendation for approval by the Ministry.

However, the Special Mobile Force has the responsibility to attend to the felling of trees in emergency cases constituting danger to life and property and in time of natural and human induced disasters.

The felling of trees along classified roads is undertaken by the Road Development Authority whereas the District and Municipal Councils undertake felling of trees along non-

classified roads. The Mauritius Telecom and the Central Electricity Board attend to cases affecting telephone and power lines respectively.

The felling of trees on private premises is undertaken by the private land owners who do not require any prior authorisation from the Forestry Service.

Madam Speaker, as regards the measures proposed to avert the risks of accidents by trees, the Forestry Service, in collaboration with the Road Development Authority and the Local Authorities has, since the beginning of the year, started a survey on a region wise basis to assess the status and general conditions of trees in all public places and to take remedial actions accordingly. The Forestry Service has for this purpose acquired a lorry equipped with a lift and has undertaken felling and trimming of trees as well as lopping of branches along roads in the following regions: Plaine Magnien, L'Escalier, Mare Chicose, St Hubert, Ville Noire, Anse Jonchée, Coromandel, Chebel, Rose Hill, Vallée des Prêtres, Port Louis, Belle Mare, and Bel Air. This exercise is ongoing in other regions and will be intensified in view of the cyclonic period.

As regards private land owners, they will be sensitised on the need to regularly make assessment on the state of trees found on their premises and to fell decaying trees representing security hazards. In the event of the general conditions of the trees representing potential danger to life and property, the Rt. hon. Prime Minister has agreed that the Special Mobile Force, in consultation with the National Disaster Risk Reduction and Management Centre and the Forestry Service, will entertain specific requests on a case to case basis. The collaboration of all relevant authorities will be enlisted for the awareness campaign and assistance will be provided accordingly. Such requests are to be channelled through my Ministry.

**Mr Ganoo:** I thank the hon. Minister for his answer, Madam Speaker. The point of this question was precisely to sensitise the authorities and the population. Therefore, may I ask the hon. Minister whether as one of the first steps - I think he has answered that in the question, but I want to make double sure that this forms part of his answer - that his Ministry should coordinate at least with the Local Authorities and give the Local Authorities the necessary tools in order to see to it that the fall of trees do not become a hazard or a danger to members of the public as, unfortunately, the accident that took place in September of this year?

**Mr Dayal:** Madam Speaker, I thank the hon. Member for this question. This morning itself - because today is 13 October, the United Nations has it as the International Day for Disaster Reduction - I had a work session with all first responders. I must say, we are seriously planning to have next Monday a very specialised workshop as far as all types of risks and vulnerabilities that we have in the country in the wake of the cyclonic period, that they be attended to in a systematic manner with all stakeholders concerned. My Ministry will be supervising the whole operation.

**Madam Speaker:** Hon. Jhugroo!

**Mr Jhugroo:** Can the hon. Minister inform the House whether his Ministry has set up a mechanism to verify that all trees and branches found in public areas like primary and secondary schools or the major roads are safe and not a threat?

**Mr Dayal:** Thank you for this question, hon. Jhugroo. The Disaster Management Centre is making a thorough survey regarding the trees that represent a potential threat to life and property all throughout Mauritius. Directives will be issued to all stakeholders as and when required.

**Madam Speaker:** Next question, hon. Ganoo!

### **RIVIÈRE DES GALETS – INHABITANTS - RELOCATION**

**(No. B/692) Mr A. Ganoo (First Member for Savanne & Black River)** asked the Minister of Environment, Sustainable Development and Disaster and Beach Management whether, in regard to the inhabitants of the EDC at Rivière des Galets who are at risk during bad weather conditions, he will state if any decision has been taken in regard to the relocation thereof.

**Mr Dayal:** Madam Speaker, I wish to inform the House that the risk to which the inhabitants facing the sea frontage at Rivière des Galets are subject to is a long standing issue as their residential zone is exposed to incoming waves and swells due to lack of protective natural structures such as coral reefs.

Measures to address the problem of the vulnerable community may be classified under short term, medium term and long term. Relocation is a long term measure. Short term measures as a first line of defence were undertaken by my Ministry to protect the vulnerable community as follows –

- (i) in 1995/96, coastal protection works had been carried out at Rivière des Galets, using semi-hard structures in the form of walls and groynes made of gabions. Gabions were placed over a stretch of 800 m to protect the coast from high waves;
- (ii) in 2003, 215 m of gabions were removed and replaced as they were damaged;
- (iii) following damage caused by storm surges in 2006, damaged gabions were replaced in 2007 over 450 m from the river towards the cemetery;
- (iv) in 2011, 104 m of the gabions installed in 2003 were removed and replaced, and
- (v) during the years 2012-2013, a total length of 130 m of gabions which were partly installed in 2003 and partly in 2008 were replaced.

As a medium term measure, a second line of defence to protect the inhabitants was provided in 2007 through the construction of a retaining wall over some 450 m in front of the residential areas. Furthermore, my Ministry has earmarked funds to the tune of Rs90 m. under the “Climate Change Adaptation Programme in the coastal zone of Mauritius” project funded by the Adaptation Fund Board to help increase the climate resilience of the exposed community at Rivière des Galets.

An international consultancy firm, Indufor Oy from Finland, was appointed in September 2014 to undertake the feasibility study and cost benefit analysis for coastal adaptation measures at Rivière des Galets. The consultant submitted in its reports in August 2015. According to the consultant, the option of relocation is technically unfeasible under the Adaptation Fund project due to the non-availability of budget and the timeline for the project, which should end in 2018.

On strength of the technical assessment and feasibility reports including Cost Benefit Analysis, the consultant has recommended the construction of improved sea defence structures along the entire sea front of the residential zone.

The scope of works includes the following –

- (a) construction of rock revetment of a stretch of 450 m;
- (b) implementation of a curved sea wall to reflect the incoming waves;

(c) construction of water drainage system for evacuation of flood water along the exposed area.

The proposed structures will be designed to enable to withstand the extremely high waves that affect the site as well as reducing the overtopping. The design will also consider the impact of climate change including sea level rise.

The design report is expected in November 2015 and works are scheduled to start by April 2016.

However, the managed retreat, that is, relocation of the community was also considered. A willingness to relocate survey was conducted among the residents of *Rivière des Galets* and I wish to inform the House that most of the inhabitants were favourable to the option. Following a site visit and my personal intervention, all accepted the relocation option in the area nearby where they reside.

My Ministry held consultation with the St. Félix Sugar Estate to identify an alternative site for the relocation of the vulnerable communities not too far from their present residence. A plot of five acres of land was identified in consultation with the St. Félix Sugar Estate and the community. Procedural actions have been initiated through the Ministry of Housing and Lands for the acquisition and vesting of the land. Other aspects, including financial costs are being looked into with a view to implementing this long-term measure because we are attentive to the plight of people.

**Madam Speaker:** Hon. Dayal, your answer is long and I think it is better to circulate it. You've got a supplementary question, hon. Ganoo?

**Mr Ganoo:** I have only one question. Does the hon. Minister have an idea how long it will take for the relocation of the inhabitants?

**Mr Dayal:** I must say that St. Félix Sugar Estate is willing to give the land. It is a question of fine tuning procedures at the level of the Ministry of Housing and Lands and also my Ministry. The three parties definitely are willing to find a solution. Therefore, I think we are going to address the problem in a very systematic manner taking all factors into consideration.

**Mr Ganoo:** Can I take it from the hon. Minister, therefore, that Government is also taking the responsibility of building new houses for the occupants of the *Rivière des Galets* estate?

**Mr Dayal:** All salient factors will be taken into consideration based on whatever options will be decided by all parties concerned.

**Madam Speaker:** I suspend the sitting for one and a half hour.

*At 1.07 p.m. the sitting was suspended.*

*On resuming at 2.43 p.m. with Madam Speaker in the Chair.*

**Madam Speaker:** Please, be seated. Hon. Ganoo!

### **RIAMBEL - RECREATIONAL CENTRE FOR SENIOR CITIZENS – CONSTRUCTION**

**(No. B/693) Mr A. Ganoo (First Member for Savanne & Black River)** asked the Minister of Social Security, National Solidarity and Reform Institutions whether, in regard to the project for the construction of a recreational centre for senior citizens at Pomponette, in Riambel, she will state -

- (a) if bids have been launched therefor, and
- (b) the costs thereof.

**Mrs Jeewa-Daureeawoo:** Madam Speaker, tenders were launched by the Central Procurement Board for the construction of a new recreation centre for elderly and disabled at Riambel on a design, build and turnkey basis on 19 June 2014 with closing date of 21 August 2014. As at closing date, nine bids were received and the bidders were: Ramloll Bhooshan Renovation & Building Ltd, Tayelamay and Sons Enterprise Ltd., Nundun Gopee Building and Civil Engineering Contractors, Rehm Grinaker Constructions Company Ltd, General Constructions Company Ltd, Beijing Zhuzong Group Company Ltd Mauritius Branch, Phil Alain Didier Company Limited, Laxmanbhai and Company Ltd and Beijing Construction Engineering Group.

Their bids were evaluated by the Central Procurement Board on 03 March 2015. The Central Procurement Board approved the award of contract to Beijing Zhuzong Group Company Ltd Mauritius Branch for the sum of Rs202,352,417.28 inclusive of a contingency sum of Rs7 m. and VAT.

Subsequently, the Letter of Intent was issued to the successful bidder and notification letters were issued to the unsuccessful bidders as per the Public Procurement Act. Two successful bidders namely Ramloll Bhooshan Renovation & Building Ltd and Rehm Grinaker Constructions Company Ltd challenged the decision of the Ministry. Both bidders were informed of the grounds of non-selection by the Ministry based on information made available by the Central Procurement Board. Not being satisfied with the reasons given, Ramloll Bhooshan Renovation & Building Ltd filed an appeal to the Independent Review Panel on 02 June 2015 to review the Ministry's decision of intent to award the contract to Beijing Zhuzong Group Company Ltd Mauritius Branch. The matter is still at the level of the Independent Review Panel.

As regards part (b) of the question, I am informed that the cost estimate of the project as worked out by the Ministry of Public Infrastructure, NDU, Land Transport and Shipping in September 2011 was Rs204 m.

**Mr Ganoo:** Can I ask the hon. Minister if the successful bidder was the lowest one?

**Mrs Jeewa-Daureeawoo:** Yes, lowest responsive bidder.

**Mr Ganoo:** I know that now that there is a challenge before the IRP, Madam Speaker, *la balle n'est plus dans le camp du ministre et du ministère*. May I just ask the hon. Minister - as soon as the challenge issue is cleared - to see to it that things are expedited because the predecessor of the hon. Minister - I am sure you will know, Madam Speaker - launched the foundation ceremony, the foundation stone in 2006. We are now in 2015 and, in the meantime, the previous Government had constructed recreational centre for senior citizens in Triolet, in Flacq, I think in Belle Mare, taking precedence over this project. So, may I appeal to the hon. Minister, once this issue is cleared, to see to it that this centre is set up once for all.

**Mrs Jeewa-Daureeawoo:** Well, this is a vivid example how things were being done by the previous Government. We are different. We are doing things differently and one of the top priorities of this Government is to promote the quality of life of all our elderly people irrespective of which constituencies they come from. So, rest assured we are following the matter closely and things will be done as per the law.

**Madam Speaker:** Next question, hon. Sesungkur!

## **SMEs – CREDIT FACILITIES**

**(No. B/694) Mr D. Sesungkur (First Member for Montagne Blanche & GRSE)** asked the Minister of Finance and Economic Development whether, in regard to the Banking Act, he will state if proposed amendments will be introduced thereto to correct the imbalances and inefficiencies caused by the banks distributing credits over the last decade to finance construction, housing, hotels and real estate projects at the expense of such productive sectors as manufacturing/production, Information and Communications Technology, leisure, entertainment, agriculture, small and medium enterprises and to ensure that financial resources are also channelled thereto to support Government's strategy for a sustainable growth and to favour the long term interests of the country.

**Mr Lutchmeenaraidoo:** Madam Speaker, there is no provision in the Banking Act with regard to the regulation of sectoral distribution of credit.

However, the Bank of Mauritius has the power to issue Guidelines and instructions regarding the extension of credit by banks. It may be highlighted that in October 2013, the Bank of Mauritius had concerns about the growing level of credit risk in certain sectors of the economy, which could potentially be a source of vulnerability for the financial system. Accordingly, the Bank issued macro-prudential measures for implementation by all banks and these included sectoral limits on the construction, tourism and personal sectors as from 01 July 2014. The sectoral limits were eventually removed in January 2015 so as to allow banks to lend to viable projects in these sectors.

However, though credit to the construction (including housing), hotels and real estate sectors, have increased significantly over the past decade, it has not been to the detriment of other productive sectors. For several years in the past decade, especially in the past five years, there has been considerable excess liquidity in the banking system. In fact, as at October 2015, the excess liquidity stood at around Rs6.6 billion. There is, thus sufficient funds on the market to provide adequate credit to all sectors of the economy.

**Mr Sesungkur:** Thank you. Will the hon. Minister agree that the practices of the banking sector have caused that many of our productive sectors have gradually been neglected and there has been more a tendency of banks to remain in the comfort zone, lending to real estate companies, and he will see to it as far as possible from the Bank of Mauritius' perspective if some guidelines, some guidance may be given to the banks to concentrate on productive sectors and on new emerging sectors like leisure and entertainment?

**Mr Lutchmeenaraidoo:** Yes, Madam Speaker. This is true that the commercial banks try to survive in comfort zones. So, massive investments have been done in the construction and tourism sector and also in consumption, consumer credit. So, we tried to convince them or encourage them to move to other sectors. It does not work all the time. This is one of the reasons why we have set up the SME scheme. The Rs10 billion will be used to channel, in fact, funds to those sectors which have been *délaissés* by banks. So, I hope that this will partially correct your issue.

**Madam Speaker:** Hon. Jhugroo!

**Mr Jhugroo:** With regard to the Banking Act, will the hon. Minister of Finance and Economic Development consider whether there is a possibility to ask the Bank of Mauritius to review the charges on credit cards, being given that many banks charge above 2.5% to 3% on every transaction? So, will the hon. Minister consider asking the Bank of Mauritius to review the percentage charged on credit cards so as to make it possible for persons using their credit cards to purchase commodities everywhere, even from fuel pump stations?

**Madam Speaker:** This question is not within the ambit of the question which has been asked, but if the hon. Minister of Finance and Economic Development wishes to reply, he can do so.

**Mr Lutchmeenaraidoo:** Thank you. I will do it. In fact, there are sectors, subsectors or subsections in the business of banks which are creating problems since a long time. The one is the exchange rate on the cross, when you buy and you sell forex, the margin can be 3% to 5%. That can be huge.

*(Interruptions)*

If you don't mind, I have a problem. Madam Speaker, excuse me. So, the cross rate, exchange rate has been an area where banks overcharge.

In other countries, the difference between buying and selling is normally less than 1%. Here, it extends to 5%. Credit card charges are much higher in all countries because consumers just consume and don't know that they pay a lot of interest. So, the Bank of Mauritius has carried out an extensive review of all those charges and the bank is looking into it for changes. This is being done presently.

**Madam Speaker:** Hon. Sesungkur!

**Mr Sesungkur:** Thank you, Madam Speaker. Will the hon. Minister consider or is he contemplating a dose of reform after so many criticisms, like hon. Mahen Jhugroo just mentioned, on the fees and charges, but also on the sector-wise distribution of credit, how

capital is being distributed, and the overall impact and the inefficiencies which the current practices of banks are causing to the overall economy of the country?

**Mr Lutchmeenaraidoo:** We all know about it. In fact, in the last Budget, we spelt out this huge problem, especially those offering credit facilities for purchase. They have been charging 19% interest rate - higher purchase. Therefore, in the Budget it was reduced to a maximum of 12%. So, this has been done. The question is: "can we?" Yes, thank you.

*(Interruptions)*

**Madam Speaker:** Please!

**Mr Lutchmeenaraidoo:** The hon. Member is right. In fact, when we reduced the rate from 19% to 12%, they have found a means of bypassing this criterion. They still charge about 16%. So, it is a difficult sector. You are intelligent, you try to put order, and they are not that bad also. So, the Central Bank is, I think, trying to implement measures to correct those anomalies.

#### **COMMERCIAL BANKS - ACCOUNT OPENING – PROCEDURES**

**(No. B/695) Mr D. Sesungkur (First Member for Montagne Blanche & GRSE)** asked the Minister of Finance and Economic Development whether he will state if he is aware that the establishment of lengthy, complex and cumbersome procedures by some commercial banks for the opening of bank accounts is proving difficult for corporate entities and individuals and, if so, indicate if he will consider requesting the Bank of Mauritius to inquire thereinto and to propose appropriate reforms of the banking sector to correct certain imperfections and/or abuses.

**Mr Lutchmeenaraidoo:** Madam Speaker, when opening an account with a commercial bank, certain legal procedures have to be followed to identify the customer, known as the 'Know Your Customer' principle. Yet, the requirements should not be such that it becomes an obstacle to open a bank account.

From the international standard setters, namely the Financial Action Task Force (FATF) and the Basel Committee on Banking Supervision recognise that Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) measures have to be so designed to meet the national goal of financial inclusion, without compromising the measures

that exist for the purpose of combating crime. Applying stringent AML/CFT requirements can have the unintended consequence of excluding legitimate businesses and consumers from the formal financial system, hence causing financial exclusion. This factor is taken into consideration in the new FATF Recommendation of 2012 and a Guidance Paper in respect of financial inclusion has also been issued by FATF.

The FinScope Consumer Survey carried out in 2014 showed that 85% of our adults are banked, i.e, uses the financial products and services offered by a bank. Mauritius tops the list of SADC countries and other African countries in terms of financial inclusion.

Indeed, it is not reasonable for banks to take an unduly long time to process and open a bank account. I have raised the matter with the Governor of the Central Bank who will address the issue and come up with remedial actions.

**Mr Sesungkur:** Madam Speaker, will the hon. Minister agree that, in this modern world, access to bank and banking facilities is a fundamental right, and that he will ensure, through the Central Bank, that such rights are not denied to our citizens, be it individual or corporate?

**Mr Lutchmeenaraidoo:** MauBank will be there to do the job.

**Dr. Sorefan:** Madam Speaker, may I know from the hon. Minister whether the bank can order an individual to deposit his statement of account to the MRA for opening an account?

**Mr Lutchmeenaraidoo:** I don't have the reply, but if the hon. Member comes with a substantive question, I will reply to it.

**Mr Ramano:** Dans le dernier budget, l'honorable ministre a annoncé la création d'un *Ombudsperson for financial institutions*. Est-ce que je peux savoir le *scheme of duty* de cet *Ombudsperson*, et en quoi sa mission sera différente de celle de la Banque de Maurice ?

**Mr Lutchmeenaraidoo:** Well, again, the question is outside the premise of this question. So, if the hon. Member comes with a substantive question, I will reply to it.

**Madam Speaker:** Next question, hon. Sesungkur!

## **PROCUREMENT DISPUTES – COST**

**(No. B/696) Mr D. Sesungkur (First Member for Montagne Blanche & G.R.S.E)** asked the Minister of Finance and Economic Development whether, in regard to the procurement disputes and other contingent liabilities, he will state the costs incurred by Government in relation thereto and expected costs to be incurred in relation to the pending cases for each of the years, 2005 to 2014.

*(Withdrawn)*

### **PUBLIC SECTOR DEBT**

**(No. B/697) Mr D. Sesungkur (First Member for Montagne Blanche & GRSE)** asked the Minister of Finance and Economic Development whether, in regard to the national debt, he will state the –

- (a) mode of calculation thereof;
- (b) magnitude of increase thereof over the period 2005 to December 2014, indicating the average amount of funds applied annually towards the servicing thereof, and
- (c) strategy developed by Government to manage the level thereof in future and to ensure that we do not live beyond our means.

**Mr Lutchmeenaraidoo:** Madam Speaker, with regard to part (a) of the question, the national debt is the amount that the public sector, including the Central Government, local authorities, Rodrigues Regional Assembly and the public enterprises have borrowed over the years and is outstanding. This is referred to as the public sector debt, as defined by the IMF. This is the gross debt of the public sector. However, the Public Debt Management Act 2008 defines the net public sector debt for the purpose of debt ceiling. I will come to that in my answer to part (c) of the question.

And, indeed, Madam Speaker, the public sector debt according to both definitions has grown into a major issue that this Government is committed to address because if it gets out of control it can severely undermine the economic stability of the country. In fact, the public sector debt has become very high and is, therefore, a serious constraint on the public sector's borrowing capacity.

At a time when private sector investment is falling, the public sector should normally respond with an increase in its investments so that GDP can grow at a faster pace with rapid job creation. But the public sector debt serious situation does not allow for such a response. It is in this perspective that Government is encouraging a greater participation of the private sector in public sector projects.

Regarding part (b) of the question, the public sector debt has increased from Rs129.2 billion in 2005 to Rs237.7 billion by the end of December 2014, that is, an increase of Rs108.5 billion. This is a huge increase of 84 per cent. This is equivalent, in fact, to 61.5 of GDP – a level which is far too high for comfort and which, unfortunately, this Government has inherited.

On average, every year, since 2010, some Rs38.4 billion have gone in the servicing of public sector debt, of which Rs10.2 billion of interest and Rs28.2 billion of capital repayments.

As regards part (c) of the question, Government is committed to bring the net public sector debt to 50 per cent of GDP by 2018, as required by law. I should here stress that, for the purpose of the Public Debt Management Act, the public sector debt excludes -

- (i) IMF SDR allocations;
- (ii) outstanding amount of Government securities issued for mopping up of excess liquidity, and
- (iii) Government cash and cash equivalents.

In addition, the debts of some public enterprises are discounted according to the risk they represent to public finance. The criteria for such discounting are laid down in the Act. According to this definition, the public sector debt amounted to Rs209 billion at end 2014, that is 54.1% per cent of GDP.

Our strategy for managing the debt is, first of all, to keep the budget deficit at a low and sustainable level, by staying within the 3 per cent benchmark. Secondly, our policies to spur growth and development will expand our GDP at a faster pace than in the past and improve the sustainability of the debt. Thirdly, our strategy is focusing on reducing the share of external debt in total debt. This is aimed at reducing the external debt service ratio and making public finances less vulnerable to foreign currency shocks. This will also help to ease

the problem of excess liquidity in our banking system, as we will be borrowing more on the domestic market. Fourth, we are lengthening the maturity of our debt with more long term issues and thus reducing the roll over risk. Fifth, to reduce the burden of debt on Government, we are encouraging greater private sector participation in public sector infrastructure and other projects. And sixth, Madam Speaker, we are addressing inefficiencies and improving governance structures in public enterprises. This should be a significant impact on improving their finances.

**Madam Speaker:** Hon. Sesungkur!

**Mr Sesungkur:** Thank you, Madam Speaker. Given that the hon. Minister said that the *marge de manœuvre* for borrowing is very limited and that we need financial resources in future to finance our projects, how is he envisaging to look for alternative ways of financing to realise those projects?

**Mr Lutchmeenaraidoo:** I have just replied part of this question. In fact, the debt level is such that the public sector cannot generate more debt. In fact, we have to reduce the debt to 50% of GDP, we are 54.1% presently. So, the question is very simple: how do we encourage growth when the public sector, which should have investment, cannot have released funds for it or cannot take new debt? This is a fundamental issue we have. This is why the Government, since the very beginning, we have been trying to encourage private sector investment more and more and also get into more FDI also. To go further still, projects infrastructure like those of my colleague, the hon. Vice-Prime Minister of Energy and Public Utilities and my colleague, the hon. Minister of Public Infrastructure and Land Transport, many of these projects now will be carried out probably on the basis of G to G or BOT. we are working on this, just to ensure that we can release the funds necessary because the project - my friend is right - is massive, for water especially, and for road it is Rs15 billion on four years. So, we have to reinvent financing methods to get through.

**Mr Barbier:** If I heard the hon. Minister well, it seems that we are not allowed to go over a certain percentage of GDP to our consolidation about public debt and it seems we have already reached over that percentage, and the Minister stated that by law we cannot go over that. So, it means that we have had a situation where we have people who are outlaws today. So, may I know from the Minister who are those responsible or are these people, who are outlaws who have not respected the law concerning public debt?

**Mr Lutchmeenaraidoo:** We are constrained by the law to reduce the debt to 50% of GDP in 2018. So, we still have some time.

**Mr Mahomed:** May I then ask the hon. Minister what is the current ceiling not to be exceeded at this point in time?

**Mr Lutchmeenaraidoo:** Sorry?

**Mr Mahomed:** I understand that in 2018 it is going to be 50% but, as at now, what does the law provide for?

**Mr Lutchmeenaraidoo:** I think I need to give one precision. We use two types of figures. One, calculation of public debt as a percentage of GDP as defined by IMF, this is 64% or 60.1% – I will have to check it. And the second one is the calculation of the debt in function of the commitment we have taken by law and this is at 54.1%, it will have to be brought down to 50% by 2018.

**Madam Speaker:** Next question, hon. Barbier!

#### **CUSTOMS DEPARTMENT – DIRECTOR - POST**

(No. B/703) **Mr J. C. Barbier (Fifth Member for GRNW & Port Louis West)** asked the Minister of Finance and Economic Development whether, in regard to the Customs Department, he will, for the benefit of the House, obtain from the Mauritius Revenue Authority, information as to if the post of the Director thereof is vacant and, if so, since when, indicating when it will be filled.

**Mr Lutchmeenaraidoo:** Madam Speaker, I am informed by the Mauritius Revenue Authority (MRA) that, following the expiry of the contract of the former Director of Customs, Mr Lenaghan, on 21 May 2015, the post of Director of Customs is vacant.

As per the MRA HR Management Manual, all vacancies should first be advertised within the organisation. In case there is no suitable candidate, application for the post is then opened to candidates outside the Authority.

I am informed that the post of Director of Customs was advertised internally and the selection exercise is under way.

**Mr Barbier:** May I know from the hon. Minister whether there is any reason why the post has not been advertised internationally?

**Mr Lutchmeenaraidoo:** The question was answered. I said here –

“As per the MRA HR Management Manual, all vacancies should be first advertised within the organisation.”

This is what has been done; there have been applications and the MRA is now processing those applications.

**Mr Jhugroo:** May I ask the hon. Minister why he should advertise internationally when we have got people qualified, unemployed and seeking for jobs elsewhere? Because when we see what happens at Air Mauritius...

**Madam Speaker:** Hon. Jhugroo, I think we have understood your question.

*(Interruptions)*

Please!

**Mr Lutchmeenaraidoo:** My colleague is right. As far as possible, we have to give preference to Mauritians, so much so that we have now more and more professionals, Mauritians coming and the Diaspora Scheme announced in the Budget is encouraging, in fact, Mauritians to return back.

*(Interruptions)*

You are right!

**Mr Barbier:** May I know from the hon. Minister who is the Acting Director actually?

**Mr Lutchmeenaraidoo:** I don't know.

**Madam Speaker:** Next question, hon. Barbier!

### **FISHERS - COMPENSATION**

**(No. B/704) Mr J. C. Barbier (Fifth Member for GRNW & Port Louis West)** asked the Minister of Ocean Economy, Marine Resources, Fisheries, Shipping and Outer Islands whether, in regard to the fishers of Baie du Tombeau, Roche Bois, Bain des Dames, Sables Noir, Grand River North West and Pointe aux Sables affected by the developments in the Port Louis Harbour, he will give a list of those who are eligible for compensation, indicating –

- (a) the sum payable to each one of them;
- (b) those in respect of whom the payment thereof has already been effected, and

- (c) whether, as was the case in the north, those who are regular and active but not possessing the fisherman professional card will also be taken into consideration for the payment thereof.

**The Deputy Prime Minister:** Madam Speaker, with your permission, I shall reply to this question.

With regard to parts (a) and (b) of the question, I am tabling the information requested by the hon. Member.

Madam Speaker, as regards part (c) of the question, I am informed by the Permanent Secretary, Ministry of Ocean Economy, Marine Resources, Fisheries, Shipping and Outer Islands that the case in the north relates to a particular incident whereby vessel MV Angel was grounded off at Poudre d'Or on 08 August 2011. The insurance company of the vessel, Skuld Insurance Company, paid the relevant compensation.

I am informed by the Director General, Mauritius Ports Authority that the only fishermen who have made representations in connection with the MCT Extension Works. A Joint Technical Committee comprising representatives of the MPA, the Ministry of Ocean Economy, Marine Resources, Fisheries, Shipping and Outer Islands and the legal representative of the fisher-people has had several meetings since October 2013. The Committee has agreed that only registered fishermen shall be considered in the dispute between MPA and the fisher-people.

Subsequently, the MPA and the fisher-people have agreed that a mediator/ arbitrator be appointed to resolve the dispute.

Accordingly, on 07 July 2014, a mediation/arbitration Agreement was signed between the parties and the former Chief Justice.

However, as a mediation/arbitration process was not successful, the MPA and the fisher-people agreed to holding fresh negotiation. An agreement, in September 2014, was reached on the amount of compensation to be paid.

Madam Speaker, I would like to inform the House that when the MPA effected the dredging works of the English Channel in 2006, only the fisher-people were compensated. The same principle has again been adopted.

**Mr Barbier:** This is why I am making a plea in favour of those fishers who do not have their professional cards and they are in waiting for years, but they are doing their job,

they are having their living out of fishing. Unfortunately, they are not considered for compensation when all these mediations and discussions have been going on. So, may I ask the hon. Ag. Prime Minister - now we have a new Government, we have a Minister today who understands the problem of the fishers – whether he will consider the possibility of considering the *grievs* of these fishermen not having professional card also for compensation?

**The Deputy Prime Minister:** Madam Speaker, this matter has already been dealt with. Some 270 people have been paid about Rs40 m. - quite a high number. I must say that nearly all of them got a sum of Rs150,000 each, which is much more than the amount that was paid in 2006, as I am sure the hon. Member knows. Now, this has been finalised; but I know also that there are 80 fishermen who are being assessed at the moment with a view to receiving their professional fisherman card. If they do receive, obviously then, for any other further compensation as that happens for further works or whatever else is done with the development in the Port, they will be included.

**Mr Barbier:** The Ag. Prime Minister is talking about ‘further’ compensation, not the ongoing one. My plea is for the ongoing one. So, may I have a clear-cut answer, whether they are going to be considered or not?

**The Deputy Prime Minister:** In fact, there is no ongoing one. The previous fishermen have just been paid, it is being finalised. Payments have been made to 270 or so fishermen. Only about 10 or 15 have not accepted the amount of money, but that has been paid and it is quite a high sum, Madam Speaker. What I am saying is, this is finished, let us look now to the future and any further works that will be done and on how all the people can be compensated, if need be.

**Madam Speaker:** Next question, hon. Barbier !

#### **POINTE AUX SABLES – SQUATTERS - SOCIAL HOUSES**

**(No. B/705) Mr J. C. Barbier (Fifth Member for GRNW & Port Louis West)** asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the social houses constructed at Pointe aux Sables for the squatters who actually reside on the alignment of the forthcoming Ring Road at Tranquebar, he will, for the benefit of the House, obtain from the National Housing Development Company Ltd., information as to where matters stand.

**The Minister of Public Infrastructure and Land Transport (Mr N. Bodha):**

Madam Speaker, with your permission, I will reply to this question.

I am informed that 82 housing units have already been put up at Pointe aux Sables by the State Land Development Co. Ltd. in favour of the National Empowerment Foundation. This housing project did not involve at all the National Housing Development Company Limited.

In fact, a couple of years ago, at the request of the Ministry of Public Infrastructure and Land Transport and Shipping, the Ministry of Housing and Lands initiated acquisition procedures in connection with the Ring Road Project Phase II and part of the alignment running in Tranquebar was squatted upon by some 70 families. Suitable sites which could be used for the purpose of relocating the families, subject to them satisfying the eligibility criteria had to be identified.

Madam Speaker, as no suitable State land was available, an extent of 20A of private land from State Land Development Co. Ltd. at Pointe aux Sables/Petit Verger was acquired in exchange of land obtained at Camp Ithier by the Ministry under the 2000A Mauritius Sugar Producers Association/Government deal.

An extent of 6A out of the 20A at Pointe aux Sables was vested in the Ministry of Social Integration, which Ministry was entrusted with the responsibility of relocating the squatters concerned.

In the meantime, the number of squatters increased from 70 to 82. Accordingly, tenders for the construction of 82 houses were launched and the State Land Development Co. Ltd. proceeded with the award of the contract.

As the housing units are State-owned and belong to the National Empowerment Foundation, it has been decided that the latter would proceed with the sale of these housing units on the understanding that the Mauritius Housing Company Ltd. would be responsible for the management of the Sale contract as was the case for the squatters of Dubreuil.

My Ministry will finalise in due course the lease agreement in respect of each beneficiary.

Madam Speaker, it has also been decided that the National Empowerment Foundation, with the help of its social workers, who are familiar with the region of

Tranquebar, would carry out a Public Relation (PR) exercise to ensure the successful implementation of the project relocation.

The National Empowerment Foundation would also initiate the drawing of lots for allocation of the housing units.

This exercise has been planned with an indicative time frame and it is expected that the formalities would be initiated in the coming weeks.

**Madam Speaker:** Hon. Barbier!

**Mr Barbier:** As regards the last part of the answer, do we have any precision concerning the time frame? When does the hon. Minister think the allocation will be completed?

**Mr Bodha:** Well, from the answer that I have, Madam Speaker, it is in the coming weeks. So, it is a question of weeks. I will see whether I can give a precise date later.

**Madam Speaker:** Hon. Dr. Sorefan, next question!

**Dr. Sorefan:** Thank you, Madam Speaker. The first question that was on the agenda, No. B/657 that is being answered as per the rule of this House, last! Thank you.

### **POLICE OFFICERS – INTERDICTION**

(No. B/657) **Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the Police Officers, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number thereof who have been interdicted, since 2009 to date, indicating the number of cases thereof which –

(a) have been determined and the outcome thereof, and

(b) are pending, indicating if any mechanism is being envisaged to speed up the process.

**The Minister of Civil Service and Administrative Reforms (Mr A. Wong Yen Cheong):** Madam Speaker, with your permission, I shall reply to Parliamentary Question No. B/657.

I am informed by the Commissioner of Police that since January 2009 to 09 October 2015, 280 Police Officers were on interdiction from duty.

In regard to part (a) of the question, I am informed that 106 cases out of the 280 have already been determined. The outcome is as follows –

- 94 Police Officers have been reinstated;
- 6 have retired, and
- 6 have been dismissed.

Madam Speaker, in regard to part (b) of the question, 170 cases are still pending. I am informed by the Commissioner of Police that all efforts are being made to speed up the completion of Police enquiries on cases involving interdicted Police Officers.

On 02 July 2015, the Commissioner of Police issued a circular to all Divisional Commanders reiterating the request for early completion of enquiries involving Police Officers and, at the same time, to submit a monthly return of these enquiries to the Police Headquarters for close monitoring.

I am also told that, the Master and Registrar has informed the Commissioner of Police that at their level also they are closely monitoring the disposal of such cases lodged before the various Courts and that they have issued appropriate instructions to all the Magistrates. Thank you.

**Dr. Sorefan:** Madam Speaker, I thank the hon. Minister for answering that part of the cases have been settled down. But is the hon. Minister aware that salaries paid to those interdicted officers as up-to-date amount to around Rs160 m., without forgetting the inclusive monthly rent allowance? Will the hon. Minister see to it that the fast track - that seems to be now going on from what the Minister has said - mechanism which was set up in 2008, it is only now, after seven years, that I think we are adhering to - really be a fast track?

**Mr Wong Yen Cheong:** I thank the hon. Member for this question. We are definitely making sure and that is why my Ministry has already come with some measures. We are speeding the matter and we are following the case very closely.

**Dr. Sorefan:** Madam Speaker, regarding cases at the Supreme Court, will the hon. Minister see to it that cases are attended to as quickly as possible because we have 11 cases awaiting judgement for over 10 years. There are interdiction cases that are waiting for 10

years to be taken by the Supreme Court and we have 30 cases between 5 and 10 years. Will the hon. Minister - I don't know to what level - intervene so that all the cases are dealt with urgently?

**Mr Wong Yen Cheong:** Thank you very much. In fact, in March 2015 my Ministry made proposals to an alternative to interdictions to the Attorney-General's Office. It was proposed to redeploy officers to other Ministries/Departments instead of interdictions and this is one of the measures. Also we have gone to the Attorney-General to see how we can speed up the matter so that we can come as fast as possible. We are indeed very concerned with the amount of money that the Government is spending on these issues. Thank you.

**Madam Speaker:** Hon. Fowdar!

**Mr Fowdar:** Thank you, Madam Speaker. I would like to ask the hon. Minister whether he is aware that some of the officers were dismissed using section 37 of the DFSC Regulations, unfair dismissal? Whether he will consider looking at these cases and reintegrating those officers who have been unfairly dismissed during the past regime?

**Mr Wong Yen Cheong:** Thank you. My Ministry has come in March for these redeployments. We are studying the matter and I have already proposed like in cases of redeployment when we have people who have embezzlement and they are from Finance, we can send them to registry which has nothing to do with embezzlement. They don't have any contact with money. We had a case with computer misuse which was in an office and they have been sent to outstations where no IT system is available and there are many other issues where we can redeploy the officers. We will make sure that they are doing work for the money they are earning instead of staying home. Thank you.

**Madam Speaker:** Hon. Ganoo!

**Mr Ganoo:** May I draw the hon. Minister's attention to the Director of Audit's Report, year in and year out, the question of interdicted Police Officers or public officers is always high on the agenda of the Director of Audit. For example, in last year's report which was tabled a few weeks ago, the Director of Audit says –

“A sum of Rs211.8 m. was paid to interdicted officers over the past five years. These officers were paid salary for services not rendered. The cost of interdiction is significant and is on the increase.”

May I also ask the hon. Minister that one of the reasons that there are so many interdicted officers is not only because the Courts have not disposed of the matter. In some cases, even if the officers have been found guilty or not guilty, the administration is still hesitating to take whatever decision and the officers still remain interdicted although the cases are being disposed of by Courts of Law? Can I ask the hon. Minister to see to it also that the administration, concerning the Police Force or the Public Service sometimes shies away from taking the decision even after the cases are being disposed of by Courts of Law.

**Mr Wong Yen Cheong:** That is why I already said when I reached my Ministry I have taken these issues on board because I find it incredible that we are spending so much money. We are coming through it, we are seeing to it. Thank you very much.

**Mr Fowdar:** Thank you, Madam Speaker. What I was referring to the hon. Minister was section 37, which is dismissing a public officer under the ground of public interest, which is vague. There is no embezzlement, there is no solid reason for that. I am asking again whether the hon. Minister will consider those who were dismissed using section 37 of the DFSC Regulation and whether they would be reconsidered for reintegration based on a sort of fairness to see to it that people are given their chance again?

**Mr Wong Yen Cheong:** Thank you very much. I will look into the matter.

**Mr Jhugroo:** Madam Speaker, being given that we have got several Police officers who are suspended for so long and we also have many Public officers in the same situation, will the hon. Minister consider asking the department concerned if we can have a special Court to look after all these issues?

**Mr Wong Yen Cheong:** In fact, we can't make a policy of *deux poids deux mesures*. If we do it, we have to do it all across for the public also. That is why we can't take on board only for the public servants, but we will look how we can make it a fast track for everyone. This is why I've gone to the Attorney General's office for. Thank you.

#### **POINTE AUX SABLES – COASTAL ROAD - UPGRADING**

(No. B/667) **Mr J. C. Barbier (Fifth Member for GRNW & Port Louis West)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the project for the enlargement of the coastal road at Pointe aux Sables by the National Development Unit, he

will state if the implementation thereof will be carried out during this financial year and, if not, why not.

**The Minister of Public Infrastructure and Land Transport (Mr N. Bodha):**  
Madam Speaker, with your permission I will reply to this PQ.

I am informed by the RDA as follows –

- (a) the Pointe aux Sables road is a main road which stretches over a length of 8.5 km and starts at junction with A1 Road, that is, Curepipe to Port Louis at Grand Rivière North West and passes over an approximate distance of 4 km along the coast through Pointe aux Sables and Petit Verger and continues inland to end at junction with Albion road at Petite Rivière;
- (b) the road under reference forms part of an overall network of roads in Mauritius which has been built long time ago and whose construction was not subject to any study nor engineering design. Such roads were not designed for today's heavy traffic;
- (c) a survey is currently being carried out by the RDA to consider the possibility of upgrading the coastal road, and
- (d) the survey includes evaluation of the structural's integrity of the existing road and identification of availability of land for any enlargement. This project may entail acquisition of land and availability of funds. Consideration will therefore be given for this particular project as soon as land acquisition and financial issues have been settled. Other similar projects in other regions will also be given due consideration.

**Mr Barbier:** Madam Speaker, I am happy to hear that the project is under consideration. I have been putting the same question since the last 20 years now and I heard the project is coming, will come, is under consideration and, now, under study! May I have a timeframe? Now, it is high time! As the House may be aware, this is a road where we have had so many accidents these past years and some fatal ones. So, I think there is urgency. May I have a sort of engagement, a promise from this actual Minister who seems to be doing his work very well?

*(Interruptions)*

Will he, now, give me a time frame for the implementation of this project, Madam Speaker?

**Mr Bodha:** Madam Speaker, I had a conversation with the hon. Member. He said he has been asking this question for the last 20 years and when he first asked the question, the cost of it was Rs20 m. Today, it is Rs140 m. So, a lot will depend on the hon. Minister of Finance and Economic Development, but I can promise that I will put up a strong case for him.