

*Second Reading*

**THE SUGAR INDUSTRY EFFICIENCY (AMENDMENT) BILL**

**(NO. IX OF 2013)**

*Order for Second Reading read.*

**The Minister of Agro-Industry and Food Security (Mr S. Faugoo):** Mr Speaker, Sir, I beg to move that the Sugar Industry Efficiency (Amendment) Bill (No. IX of 2013) be read a second time.

Mr Speaker, Sir, I believe it is both pertinent and essential that I briefly place the proposed amendments in its precise background and context before I elaborate on them.

Let me at the very outset state that the motivation for presenting this Bill is to ensure the preservation of agricultural lands which are essential in the wake of the global food crisis that is still looming around us. We are all conscious that Mauritius has limited land resources and pressure from different economic sectors for land is a reality and will continue to be so in the future.

Moreover, Mr Speaker, Sir, we are a net food importing country with a food import bill amounting to some Rs25 billion annually and this amount, in fact, rose to around Rs28 billion back in 2007-2008 when there was the problem of food crisis around the world. As a responsible Government we have to increase our food production, food self-sufficiency and food security and to reduce our dependence on food imports.

With the global climate change, food production in food exporting countries may be adversely affected and supply is expected to be erratic as there is a serious risk that these countries can react to such food insecurity in terms of export bans and other protectionist measures. The consequences can be serious, particularly for vulnerable countries such as ours which is so highly trade-dependent for its food supply.

This concern explains our renewed focus and commitment to national food security, which primarily hinges on natural resources, most important of which is land. In this respect, there is the need to preserve a critical extent of the most suitable agricultural land to assure our food security for our present and future generations.

The House will recall that last week, in this very august Assembly, we approved the Seed Bill which would enable, in fact, the development and consolidation of our local seed

industry and make Mauritius a seed hub for the African continent. For us to succeed in this endeavour, one of the *sine qua non* factors is the availability of suitable agricultural land and its optimum use.

Mr Speaker Sir, we are also fully aware of the need to strike the right balance between preservation of agricultural land and conversion of agricultural land for non-agricultural use in other economic sectors.

The main objectives of the proposed amendments to the SIE Act relate to the following –

- (a) extending the incentives presently applicable to VRS projects to ERS and phasing out of sugar camps schemes;
- (b) extending the definition of ‘*métayer*’ to include another category of grower through leasing land from planters;
- (c) making better provisions to prevent speculation on agricultural land;
- (d) reviewing part of the component of expenditure in the context of recouping of costs pertaining to the implementation of VRS/ERS/factory closure scheme, and
- (e) setting up time frame for the implementation of approved projects, that is, land on which a conversion permit has been granted.

Mr Speaker, Sir, I will now elaborate on the amendments that are being brought to the SIE Act.

Clause 3 of the Bill amends Section 11(2) and 2(A) of the Act which deal with the 1:2 Scheme. Under this Scheme, an applicant can offer 1 unit of land to Government and in return be able to convert twice the amount, that is, (2 units) without paying any Land Conversion tax. This section is being repealed.

Mr Speaker, Sir, it has been noted that recently, when Government has made or is in the process of making compulsorily acquisition of land, the ‘aggrieved’ party had requested that the acquisition be made under the 1:2 Scheme rather than compulsory acquisition. In determining whether to opt for 1:2 Scheme or Compulsory Acquisition, a number of factors should be taken into account, including (i) revenue foregone in terms of land conversion tax versus the amount of compensation payable by Government to the aggrieved party upon compulsorily acquisition. We have also noted that under the 1:2 Scheme, applications for conversion are received for prime agricultural land which, in normal circumstances, would

not have been granted. Furthermore, under the 2000 *arpents* Scheme, Government has obtained sufficient land for socio economic projects. Thus, it is felt that we can now do away with the 1:2 Scheme.

Clause 4 of the Bill amends section 14 of the SIE Act, which makes provision for incentives to implement certain schemes with regard to VRS and ERS to be exempted from payment of land duties and taxes.

However, my attention has been drawn recently that this section does not apply to the implementation of the ERS as is the case for the VRS and factory closure projects implemented for the sugarcane industry.

This provision will be now extended to the ERS and factory closure, as it also forms part of the process of the sugar industry.

Mr Speaker, Sir, clause 5 amends section 17 of the SIE Act, which refers to the promotion of agricultural diversification and makes provision amongst others for the producers to rent not less than 65% of the aggregate area of land cultivated in the year 1998 for the production of food crops in interline and rotational lands.

In that respect, Mr Speaker Sir, my attention and that of my Ministry have been drawn regularly by aggrieved food crop growers who have not received lands from the producers for diversification purposes.

In this regard, I am proposing to amend the year indicated at section 17(4) of the SIE Act from 1998 to 2012, that is, last year, to reflect the effective extent presently under cultivation by the producers.

Furthermore, in order to ensure that the producers are complying with this provision, my Ministry is proposing that the MCIA shall henceforth try to settle the matter in case there are complaints and grievances received from any growers with the producers in the first instance before referring the matter to the Judge in Chambers, in order to compel the producers to comply with provision of that particular section.

Clause 6 and 6A relate to sections 25 and 26 of the SIE Act. Mr Speaker Sir, the VRS caters for the voluntary termination of employment for workers/employees working at field level of the Sugarcane Industry as per section 23 of the SIE Act, whereas the ERS refers to the voluntary termination of employment for workers/employees at the level of a factory, which will continue to operate after the implementation of the ERS, in accordance with section 23(A) of the SIE Act.

The implementation of the VRS/ERS/factory closure/phasing out of sugar camp schemes are considered as schemes deemed to be development in accordance with socioeconomic policies of Government under section 25 of the SIE Act.

Under the existing SIE Act, provision is made under section 26 for workers to be exempted from payment of duty and taxes when benefitting for land under the VRS/ERS/factory closure/phasing out of sugar camp project.

However, during the implementation of the above schemes, there are cases whereby beneficiaries are eligible for land under more than one scheme, either VRS/ERS/factory closure, and the phasing out of sugar camp schemes. At the level of the Registrar General, there is need for greater clarity in implementing the provision under section 26 for the exemption of the payment of duty and taxes under both schemes.

The proposed amendment will allow the Sugar Industry workers and employees to be exempted from payment of duty and taxes when benefitting land from both the phasing out of sugar camp scheme as well as the VRS/ERS/factory closure schemes, whichever is applicable in a particular case.

Mr Speaker, Sir, clause 7(a) of the Bill amends section 27 of the SIE Act, which defines the term Agricultural land. Presently, agricultural land is defined as land which is or has been under cultivation of sugar, tea or tobacco for the last ten years; or land alternatively which is declared to be an irrigation area under the Irrigation Authority Act.

Henceforth, all lands in an agricultural *morcellement* will have to undergo the process of conversion prior to any non-agricultural development.

A *morcellement* is carried out either for agricultural or non-agricultural, that is, residential, commercial or industrial purposes. It has been noted that, recently, land in an agricultural *morcellement* is being used for other non-agricultural developments. This is, in fact, tantamount to a disguised residential *morcellement*, and thus the rationale behind the agricultural *morcellement* is defeated. The promoter often carries out offsite infrastructure (roads, drains, provision of electricity and water) in an agricultural *morcellement* which he is not required to do so, just with a view to lure prospective buyers, to make them believe that these land, although it is found in an agricultural *morcellement*, they can in the future use it for non-agricultural purpose. Furthermore, with the various provisions in the SIE Act, the promoter is not required to apply for a Land Conversion Permit.

Thus, Mr Speaker Sir, this amendment will allow the Land Conversion Committee to have a control over land in an agricultural *morcellement*, which is not the case today.

Mr Speaker Sir, as I have previously mentioned, agricultural land, among others, is defined as land which is or has been under cultivation of sugar, tea or tobacco for the last ten years. We have had cases whereby the owner leaves his land in an abandoned state, and simply waits for the ten years to elapse, so that it does not fall under the purview of the SIE Act. This again defeats the whole purpose of preserving agricultural lands. Hence, the time frame which is provided for, that is, 10 years in the present law, is being removed through clause 8(a) of the Bill, which amends section 28 of the Act.

Furthermore, along the same spirit of preserving agricultural land, clause 8(b) of the Bill, which amends section 28(4)A(b) of the Act, provides that, for land subdivided for agricultural purpose, the applicant will henceforth have to apply for a Land Conversion Permit.

Again, Mr Speaker Sir, presently, the minimum plots size for subdivision of land for agricultural purpose is 10 perches for sites within settlement boundary and 20 perches for sites outside settlement boundary. This is, in fact, not in the legislation. It is a policy applied by my Ministry. A new section has been added as per clause 8(c) of this Bill, which amends section 28 of the SIE Act to include a new subsection, that is, subsection (4AA). Henceforth, the minimum plots size will be 50 perches, except - we have make an exception there - where the subdivision relates to a donation by an ascendant to a descendant. Then, the minimum plots size will remain as 10 perches for sites within settlement boundary and 20 perches for sites outside settlement boundary.

Mr Speaker, Sir, clause 7(b) of the Bill amends section 27 of the SIE Act, which defines the term expenditure in relation to VRS/ERS/factory closure and also sugar camps.

The SIE Act sets the legal framework for Sugar Estates and Milling Companies to implement the VRS and ERS for its employees. The employees are offered a certain extent of land, ranging from 7 perches to 16 perches, depending on length of service, and a cash compensation of around Rs400,000. The Sugar Estates put up all necessary infrastructures, among others provision of water, electricity, road networks and road side drains on the land, to enable it to become a residential *morcellement*.

In return, under section 29 of the Act, they are allowed to recoup these costs in terms of conversion of their lands free from payment of land conversion tax. The Sugar Estates/Milling Companies can also recoup costs incurred for the closure of its factory.

As per the present legislation, in fact, there is a list of expenditure components that are currently used for computation for costs incurred by sugar estates. This, in fact, is being reviewed in the present legislation, Mr Speaker, Sir.

Following discussions that Authorities had with the Mauritius Sugar Producers Association, there are costs which are not in the legislation but which have been included. These are -

- . Interest payments on dedicated loan raised by Sugar Estates for implementation of the VRS or ERS;
- . Off-site infrastructural costs, and
- . Any exceptional costs certified by the Mauritius Cane Industry Authority previously by the MSA.

Mr Speaker, Sir, the amount to be computed as costs for interest payment was, in fact, calculated on the overall expenditure of the Sugar Estates implying that it was assumed that all the expenditure incurred by them for implementation of VRS and ERS was made by way of loan. Furthermore, the rate charged was at 17% of the overall expenditure in connection with the implementation of the project as the ERS, VRS, Sugar Camp or factory closure.

For the purpose of good governance, there is a need to have more transparency. Accordingly, the amendment will provide that henceforth the interest is computed only on loan taken for the project. Furthermore, the interest will be a cumulative interest at prime lending rate for a maximum period of 2 years. In addition, Mr Speaker, Sir, we have mentioned explicitly that offsite infrastructural works are counted as costs that can be recouped by Sugar Estates. These costs, however, should be approved by my Ministry.

Clause 8F of the Bill amends Section 28(8)A of the principal Act so that it will include a new clause that the Land Conversion Committee reserves the right to direct an applicant that the development of a mixed use comprising residential, commercial, leisure and social components within a defined percentage allocated to each use. This will be based in compliance with the relevant planning policy guidance as per the Planning and Development Act.

Clause 9 of the Bill amends Sections 29(1)(a)(x), 29(1)(a)(xii) and 29(1)(a)(xiii) of the SIE Act which provides for exemption from payment of land conversion tax for projects such as the relocation, expansion or setting up of an industrial enterprise; the construction of such buildings for the provision of pre-primary, primary, secondary or tertiary education, and

the setting up of such health institution, or veterinary clinic, as may be approved by the Ministerial Committee set up under section 40B(4) of the Planning and Development Act’.

Mr Speaker, Sir, the Ministerial Committee under the Planning and Development Act has not been set up and this, in my view, is yet another administrative hurdle and accordingly these provisions are being harmonised whereby it will have to be approved by relevant authorities.

Clause 9(b) amends section 29 of the principal Act with regard to the figure of Rs3.5 m. For each Rs3.5 m. incurred as costs for VRS, ERS and factory closure, Sugar Estates are allowed to convert 1 hectare of land free from payment of land conversion tax. The figure of Rs3.5 m. is, in fact, linked to the amount of tax that Sugar Estates would have paid as per the Twelfth Schedule of the SIE Act, had there been no VRS Scheme. In fact, this figure of Rs3.5 m. as tax payable has not been revised since the year 1988, Mr Speaker, Sir.

Accordingly, same is being increased to Rs5.5 m. implying that henceforth to benefit from conversion of 1 hectare of land free from payment of land conversion tax, Sugar Estates have to incur costs to the tune of Rs5.5 m.

Clause 10 of the Bill amends the Twelfth Schedule of the SIE Act so that henceforth an applicant will have a 5-year period as from the date of obtention of the last clearance or permit required to develop the land, the subject matter of the conversion. However, this will not apply for the following cases -

- (i) conversion relating to setting up of a residential unit for own use or for ascendant/descendant, and
- (ii) for projects deemed to be in the economic interest of Mauritius and approved as such by Government, that is, at Cabinet level.

Finally, Mr Speaker, Sir, clause 12 of the Bill deals with the *métayer* issue. My attention was drawn to the problem of lease of sugarcane land by certain producers to planters for which there was a problem regarding the period of lease and the renewal of lease after a cycle of cane production.

In order to address this issue, Mr Speaker, Sir, we are proposing to amend the definition of the Sugar Insurance Fund Act through consequential amendment of the SIE Act to include also as *métayer*, any person who has been cultivating cane, on land leased from a planter, for a consecutive period of three crop cycles.

Mr Speaker, Sir, I am confident that the amendments that we are proposing in the Bill will contribute significantly towards preserving our prime and scarce agricultural lands which are needed to increase food production and enhance our food self-sufficiency and security. Moreover, they will also ensure a proper balanced development with regard to agriculture and other economic sectors which are competing for the same land.

Mr Speaker, Sir, there is a list of amendments which I will be moving at Committee Stage. I understand that these have been circulated since Friday, and there is one which has been circulated this morning.

With these words, I now commend the draft Bill to the House.

**Dr. Bunwaree rose and seconded.**

**The Leader of the Opposition (Mr A. Ganoo):** Mr Speaker, Sir, I move that the debate be now adjourned.

**Mr Uteem rose and seconded.**

*Question put and agreed to.*

*Debate adjourned accordingly.*



*Second Reading*

**THE SUGAR INDUSTRY EFFICIENCY (AMENDMENT) BILL**

**(No. IX of 2013)**

*Order read for resuming adjourned debate on the Sugar Industry Efficiency (Amendment) Bill (No. IX of 2013).*

*Question again proposed.*

(5.50 p.m.)

**The Leader of the Opposition (Mr A. Ganoo):** Mr Deputy Speaker, Sir, I shall be very brief. The hon. Minister of Agro-Industry and Food Security has, on the last occasion when he introduced this Bill, explained to the House the purpose of this Bill. I must say, at the very outset, Mr Deputy Speaker, Sir, that there are some positive and less positive proposals in this Bill. I have some reservations on a few clauses of the Bill and my hon. Friends, on this side of the House, that is, on the Opposition side will, I have no doubt, be more elaborate.

Mr Deputy Speaker, Sir, the overall aim of this Bill is, therefore, to preserve a critical land area for agricultural purposes. True it is our land resource is limited. It is not, unfortunately, expandable. Therefore, if control on conversion is not exercised, if conversion is less unabated, the land area available for agriculture is at risk and definitely it must be preserved for future generations. I have looked at the salient features of the Bill, Mr Deputy Speaker, Sir. The doing away with the one to two schemes, the proposal that ERS land is now exempted from transfer taxes and registration duties, the inclusion of agricultural *morcellement* under agricultural land, the inclusion of interest payable only on loans taken to finance schemes and not on the total cost within recoupable cost, the removal of exemption from conversion of land that are not under cultivation for more than 10 years, the specification of plot of minimum plot sizes for an agricultural *morcellment*, the recouped cost for every hectare having increased to Rs5.5 m., Mr Deputy Speaker, Sir, these would be the salient features of this Bill. I propose to look in details at some of these amendments in the Bill, Mr Deputy Speaker, Sir.

Let us come to one of the first amendments proposed, that is, the doing away with the one to two schemes, Clause 3 of the Bill, that is, in Section 11 of the main Act. Previously, Mr Deputy Speaker, Sir, an applicant under the scheme could offer one unit of land to Government and in return he was able to convert two units without paying land conversion and now, the hon. Minister has proposed to the House that this scheme should be done away with. But, I would like to ask the hon. Minister the following questions: by removing this scheme altogether, are we not closing all doors? Maybe it could have been better to keep this scheme for exceptional cases, but the onus should have been entirely upon Government to activate the scheme especially when the site requiring conversion lies in marginally suitable areas. The point I am making, Mr Deputy Speaker, Sir, is why should we have removed completely the scheme because we know, through the scheme, it was mostly Government which was requiring land and the point, therefore, is: would not it have been better to keep it for exceptional circumstances and leave it to the discretion of the Government, on the onus on Government who should have been solely responsible to activate the scheme, especially when the site requiring conversion would be found in marginally suitable areas.

I come to section 27 of the main Act, clause 3 of the Bill, Mr Deputy Speaker, Sir. In the main Act, cultivation means the cultivation of sugarcane, tea or tobacco. According to me, the Ministry, the Minister and the technicians should have pondered upon the definition of cultivation which according to me is too restrictive, especially in the current context when the main concern of the whole world is on food security. I wonder whether the definition in the main Act should not have included food crops also or even livestock so that the definition of cultivation is widened to include crops and livestock.

With regard to clause 8 of the Bill, Mr Deputy Speaker, Sir, section 28 of the main Act, presently, land which has not been under the cultivation of sugar, tea or tobacco for the last 10 years does not fall within the purview of the SIE Act. It is proposed in this Bill to repeal these sections, that is, sections 28 (2), 2(a) and 2(b). Henceforth, any land under the cultivation of tobacco, sugarcane and tea, irrespective of the duration, will be considered as agricultural land. On this score, Mr Deputy Speaker, Sir, I would think that Government must ponder on clear-cut criteria to be established for the calculation of land conversion tax rates. These could include the agricultural suitability of the land not only in relation to sugar cane but also food crops, the location of the land in relation to the settlement boundary, accessibility and potential for residential, commercial mixed use activities. It is high time, Mr Deputy Speaker, Sir, that an up-to-date agricultural suitability map be prepared to guide

all stakeholders as to which land needs to be preserved and which land can be released for non-agricultural use.

Again, on clause 8 of the Bill, Mr Deputy Speaker, Sir, relating to section 28 of the main Act, the subdivision relates to a donation by an ascendant to a descendant. Regarding this particular clause, to my mind, there are a few questions which need to be answered. Firstly, this can lead to *morcellement* of small lots. An ascendant may buy land, subdivide it into 20 perches plots and donate them to his ascendants who in turn may very well sell these plots, and the ascendant may repeat this process several times.

The other consequence of this amendment is that agricultural *morcellements* will have to be of a minimum plot size and unless it is part of a succession, these plots will be, at least, 50 perches. What it achieves is that parcelling of small plots less than 50 perches will not be permissible, thus rendering land purchase through an agricultural *morcellement* less affordable. Also, and more importantly henceforth, therefore, if an individual buys land in an agricultural *morcellement* and then applies for conversion of his plot, his application may not be entertained if he buys less than 50 perches. Are we not, therefore, by this amendment, restricting access to land for the small men? This is the *zone d'ombre*, the question we have to answer through the proposed amendment in this clause, Mr Deputy Speaker, Sir.

Furthermore, Mr Deputy Speaker, Sir, I come to clause 9 of the Bill dealing with section 29 (1) (a) of the main Act. The question I would like to ask the hon. Minister regarding this clause, this proposed amendment is why have the provisions relating to the Land Productivity and Enhancement Scheme been removed, the LPES?

Mr Deputy Speaker, Sir, this is a bit of a complex issue. The LPES, Land Productivity and Enhancement Scheme was introduced in 2011 and its purpose was to ensure that land available for creating economic value is fully utilised and optimally exploited. It was *un grand pas en avant*. But the LPES was also to provide a platform for matching demand and supply and for removing impediment for the use of land for commercial, industrial and business purposes. As I said the LPES was a positive measure, but which unfortunately never saw the light of day. I suppose due to lack of commitment from Government. This measure, therefore, was only *un effet d'annonce* and the present amendment in the Bill now comes and removes all measures imposed on the Ministry of Agriculture in the event that a promoter makes an application under the LPES. Therefore, Mr Deputy Speaker, Sir, as I said the hon. Minister must answer the question and enlighten the

House as to why have these provisions relating to the Land Productivity and Enhancement Scheme been removed through this amendment Clause 9 of the Bill.

Mr Deputy Speaker, Sir, regarding the recouping of cost from Rs3.5m. to Rs5.5m. in Clause 9 of the Bill; there is also another point which, in all fairness, I suggest, the Ministry, the technicians should have pondered upon with regard to this increase to Rs 5.5m. Mr Deputy Speaker, Sir, the profit derived out of converted land that is being sold on the market depends on the location of that converted land. This amendment fails to cater for this difference in land values across the island. For example, ex-converted land in Grand' Baie can give profits to Rs10 m. to Rs 15m. per hectare whereas converted land in Chamouny can hardly yield a profit of Rs3m. maximum to Rs5m. The question, therefore, I am asking is why applying a standard rate island wide when prices fluctuate so much? In my mind, Mr Deputy Speaker, Sir, there is an element of unfairness in this particular amendment. Perhaps the solution lies in having an integrated approach to land values across the island by setting out a cadastral inventory of land clearly defining the range of values applicable to each region.

Mr Deputy Speaker, Sir, I come now to the amendment brought to the Twelfth Schedule, the land conversion time barred up to five years. Indeed, at present there is no timeframe to develop converted land. The proposed amendment will result in the fact that from now on the applicant will be given two years to obtain its clearances that he requires and once the final clearance is obtained, he will have five years to complete his project. Though it is a positive measure, Mr Deputy Speaker, Sir, this proposal has nonetheless the drawback of being contradictory with the vision of Government to cater for food security and self sufficiency. Let me explain myself, Mr Deputy Speaker, Sir, development of converted land is directly related to market conditions which are volatile in the present economic climate. In those conditions, I would humbly submit, Mr Deputy Speaker, Sir, that it makes sense to allow those lands which have been converted to continue to provide agricultural yield despite having been converted. Promoters who continue to carry out sustained – I underline the word 'sustained'- agricultural use should be exempted from the five-year time bar. For example, if a promoter having obtained land conversion is unable to develop part or the whole site because of unfavourable market conditions, the time bar should not operate as long as it continues a sustained agricultural activity. Of course, to prevent abuse of this operation of that proposed exemption, the Ministry through AREU and other similar bodies which fall under its aegis should act as a watchdog by exercising close monitoring. The point

I am making, Mr Deputy Speaker, Sir, is that we could have on the one hand instilled, introduce the land conversion time bar period of five years, but in the same breath, my humble submission is that we could have allowed the promoters who are genuine in carrying out sustained agricultural use, they could be exempted from that five-year time bar if they can prove that they are continuing a sustained agricultural activity and this, of course, under the close monitoring of bodies like the AREU and others falling under the control of the Ministry.

Mr Deputy Speaker, Sir, *en guise de conclusion*, in a way the debate today hinges on the right balance to be kept, to be in the need to preserve land for agriculture and the necessity to encourage the revamping of the economic situation especially in the property and construction sector.

Mr Deputy Speaker, Sir, to my mind overall these amendments will have the desired effect to curb down speculation, but the problem with this achievement from an overall point of economic point of view is whether this containment of land speculation comes at the right and appropriate time. As we all know, Mr Deputy Speaker, Sir, the economy today is losing scheme, growth rate is falling, economic activity is slowing down and it is no secret to anybody and these measures proposed in this Bill will somehow exert more downward pressure on real estate development and construction and this will certainly exacerbate the economic situation. This is why, Mr Deputy Speaker, Sir, I think that the right balance, as I said a few minutes ago, has to be kept between this necessity and urgency to preserve agricultural land for future generation and the necessity to allow the economic situation to be revamped especially in this bleak economic period.

Mr Deputy Speaker, Sir, as I said, I consider that there are some good measures in this Bill, but there are also some measures which have to be revisited and relooked into. With these words, Mr Deputy Speaker, Sir, I thank you and my hon. friends for their attention.

**The Minister of Industry, Commerce and Consumer Protection (Mr S. Sayed-Hossen):** Mr Deputy Speaker, Sir, I wish to start by congratulating my colleague, the hon. Minister of Agro Industry and Food Security for introducing this Bill to the House. We all know Mr Deputy Speaker, Sir, that the land issue has always been a strategic issue in Mauritius and furthermore, it is of particular pertinence to small planters who, as labourers,

acquired land when an acute crisis in the sugar industry about a century ago, led the big land owners to put up land for sale as *morcellement*. Actually in those days, those labourers, who then became small planters, small landowners, could actually only acquire land of poor quality which was either rocky or sloppy or marginal, made available for sale by the plantocrats to meet, we have to remember that, the financial costs of the crisis in the sector then.

I would say that the land issue is a strategic one Mr Deputy Speaker, Sir. Actually it is not only a strategic issue, but it is most of the time an issue with a very high ideological content and consequently, more often than not, dealt with in a matter that tends to overlook both concerns of economic rationality and legitimate concerns for social equity. Then what happens is that ideological divides rush in and passion replaces rationality. This is linked to our history Mr Deputy Speaker, Sir. This is linked to the very simple fact that the land issue, *la question foncière*, as we say, is totally symbolical of the history of this country. We have to remember that the emergence of this history is characterized by institutionalised relations of inequality, based on racial and ethnic criteria. In the same way, the allocation of resources, particularly of land, which I am sure the whole House will contend, is a very rare, very scarce commodity. So the allocation of land for centuries prior to independence in 1968 was effected on the same unequal terms. This has given rise to the model that we have today, which classical economists call *une économie de plantation*. It is precisely because of this specific historical backdrop Mr Deputy Speaker, Sir, that any debate on land, including the regulation thereof runs the risk of drifting from considerations of national economic rationality to those bordering on a promotion and defence of self interest for certain categories of the population, if not, to emotion *purement et simplement*.

In this context, Mr Deputy Speaker, Sir, it is very important that one ideological tenet be demystified and this is the one bearing on the nature of the property of land and of the impact of the property on the economic and social development of the country. True it is that, apart from the State domain, landed property is private property. True it is that private property is guaranteed by the Constitution, but this particular private property is different from most of the assets and it cannot go unregulated because this asset is scarce. It is very scarce because land utilisation, Mr Deputy Speaker, Sir, directly impacts on the activities and finances of the State as well as on the plight of individual families, especially the less privileged ones. It is, therefore, of utmost importance to understand the economic rationality and the concern for social justice that underpin this Bill.

Mr Deputy Speaker, Sir, given the importance of this Bill, albeit a small amendment Bill, in the sugar cane sector, I feel personally privileged to be given the opportunity to address the House on this matter and this Bill is, according to me, driven by a few considerations, two of which I will canvass. The first consideration, as most operators - the hon. Minister, the hon. Leader of the Opposition - have mentioned, is to rationalise the utilisation of land including the preservation of an optimal surface area of agricultural land by a process of readjustment of the facilities extended to land owners including those granted in the wake of the agreement between the Government of the hon. Prime Minister, Dr. Navin Ramgoolam and the landowners through the MSPA in 2007, generally called the 2007 deal in the context of the reform of the sugar cane industry. This is dealt with in general by clause 7 of this Bill.

Second consideration, Mr Deputy Speaker, Sir, is to bring within the fold of legal protection a substantial number of small landless sugar cane planters to whom agricultural land has been and is being leased by sugar estates but outside the ambit of the metayer regime and consequently unprotected by law despite their long tenure; and I recall our colleague, hon. Nita Deerpalsing, having raised that issue a few times in Parliament. This is dealt with in clause 9 of this Bill.

These two considerations Mr Deputy Speaker, Sir, are directly in line with the philosophy of the hon. Prime Minister as embodied in the programme for the democratisation of the economy, the implementation phase, which started in 2005-2006 and which is still the bedrock of the action of this Government. I wish to remind the House that, beyond the ethical considerations that are underlying to this philosophy, the twin economic objectives of this programme are first to unlock the economic potential of the country by rationalising the economic structures of the system and, secondly, to unlock the economic and productive energies of the nation by broadening the circle of opportunities. The two driving orientations of this Bill, as I mentioned, Mr Deputy Speaker, Sir, cover the said twin objectives.

Mr Deputy Speaker, Sir, the facilities extended to the sugar cane landowners in the context of the sugar cane sector reform of 2007 that my colleague, the hon. Minister of Agro Industry and Food Security, is proposing to review through amendments to the existing legislation are definitely due for review six years after their introduction. The hon. Minister has amply canvassed this major aspect of the Bill and I will therefore briefly mention the rationality of the amendments being proposed. It must be recalled at this point, Mr Deputy Speaker, Sir, that the finality of the State, that of a socialist Government like that of the hon.

Prime Minister, Dr. Ramgoolam, is different from the objectives of the economic sector - here, the sugar cane private sector. The bottom line of the private sector is profit and this is totally legitimate, but the bottom line of the State is human added value and these two objectives are not necessarily divergent but they can be as in this case. The facilities, Mr Deputy Speaker, Sir, that had been extended to the sugar cane sector in the context of the reform of the said sector itself following the European Union reform of its agricultural market was indeed part of the 2007 deal between the State and the sugar cane sector. The objective of which was to allow the sugar cane sector to generate financial means to cover part of the costs of the reforms. It should also be clear that whatever measures and facilities that we put in place to assist the sugar cane sector then in a particular context in a business sector that is totally private cannot by any means be considered to be acquired rights that have to be perpetuated irrespective of the context.

With your permission, Mr Deputy Speaker, Sir, I will recall very briefly, what the 2000 deal was about. It was between Government and the sugar cane industry through the Mauritius Sugar Producers' Association. Ever since the letter, *très anodine, je dois dire*, which was circulated by Commissioner Fischler of the European Union in January 2005 and a substantial drop in the selling price of our sugar to the European Union, a whole economic sector was hanging by the skin of its teeth; *l'industrie sucrière, comme on l'appelait alors, était menacée dans sa survie, dans son âme. Ce qui était menacé, M. le président, c'était une partie de notre produit national brut ; c'était des milliers d'emplois et c'était la configuration éco-biologique de nos campagnes, ainsi que la survie économique de milliers de petits agriculteurs - petits planteurs, comme on les appelle - dépendant en amont de l'industrie sucrière, d'où la nécessité de la réforme.*

That reform, Mr Deputy Speaker, Sir, implied two things: centralisation and VRS. The disposal of agricultural land in the form of property development was then allowed in order to allow the sugar estates, the members of the MSPA to recoup costs but, we cannot, Mr Deputy Speaker, Sir, recoup costs by continuing to sacrifice our prime agricultural land, as has been done up to now.

The 2007 deal, Mr Deputy Speaker, Sir, was based on requirements of urgent national interest, with an imminent threat on the head of the country. That involved a sector that has contributed immensely, and actually has been the backbone of the economic and social development of Mauritius. The hon. Prime Minister - then leading the negotiations with the MSPA - responded in a fair and responsible manner. The result of this high sense of



responsibility and fairness in dealing of the hon. Prime Minister, is that the reform has been a successful one and we have been able to ride smoothly over the rough waves of the European the European Union Reform which has caused the sugar cane industry of many producing countries to disappear through a lack of competitiveness.

One thing has to be very clearly understood, Mr Deputy Speaker, Sir, all the direct financial assistance, as well as most of the indirect assistance which the sugar cane sector obtained, to carry out the reform came from the State. For example, the funds under the accompanying measures of the European Union were never meant to be plugged directly into the cash flow of the sugar cane industry, but were meant for the State to assist it into restructuring the national economy in the wake of the reform. Yet, we know that most of the funds under the accompanying measures were directed to the sugar cane industry and, that was legitimate, because of the particular situation at a particular period. We also need to add that the recent legislation brought in by my colleague, the Minister of Agro-Industry and Food Security that has merged six different service providing institutions of the industry under one single institution, the Mauritius Cane Industry Authority, thereby further cutting costs to the industry.

Mr Deputy Speaker, Sir, as a result of these, the sugar cane industry has not only survived, but has flourished and prospered. As a result of the above, the landowners of the sugar cane industry have been able to develop, in parallel, a flourishing and highly profitable property industry, taking full advantage of land conversion free of cost and of the costly infrastructure discounted as costs in the context of the reform, which is definitely a business plus. As a further result of the above, the sugar cane industry is now, six years later, rationalised, lean, modern and set to face the challenges of the international market for many years to come.

In short, Mr Deputy Speaker, Sir, the facilities granted under the 2000 deal at public costs - and that are being reviewed by the Bill introduced by the hon. Minister of Agro-Industry and Food Security - have not only allowed the owners of the sugar cane industry to overcome the threats caused by the European Union Reform, but have also helped them to considerably upgrade their assets. These facilities are monetary and financial facilities. All these facilities are purely and simply revenue foregone for the State in favour of an industry, which is why, Mr Deputy Speaker, Sir, these facilities and concessions cannot be considered as acquired and permanent rights, which is why they cannot continue to prevail *ad vitam aeternam*, and have to be reviewed once the objectives for which they were set are achieved.

Obviously, what I have said does not include whatever is entrenched in the law, as exemplified by the new clause 13 amendment circulated. The underlying principle of salvaging and boosting the sugar cane sector has not changed, Mr Deputy Speaker, Sir. The primary objective of this Government is still to consolidate the productivity and competitiveness of the sugar cane industry, but the packages and facilities offered under the 2007 deal, need a new consideration in the light of the experiences encountered over the last six years and, in the light of new and emerging issues, having a direct bearing on the national economy and on our ecological balance.

The second orientation of this Bill that I will canvass, - and the last one - Mr Deputy Speaker, Sir, is the one pertaining to the small farmers/small planters, having obtained land on lease from sugar cane estates under specific conditions. The House will certainly recall the deep reforms in the conditions of *métayers* that were carried out by the hon. Minister of Agro-Industry and Food Security in 2008.

As a result of these reforms, *métayers* now enjoy an unprecedented degree of protection from arbitrary treatment by sugar estates including, among others, protection from eviction and the right to purchase land that they are occupying at highly discounted prices.

The hon. Minister of Agro-Industry and Food Security has sufficiently expounded on these reforms, which were again a shining illustration of the Government programme of Democratisation of the Economy and a direct product of the hon. Prime Minister's philosophy of social equity. Many of us in this House, and I am sure that this includes hon. Members on both sides of the House, have received numerous representations from small sugar cane planters to the effect that they live and work under threats of eviction by sugar estates, that they suffer arbitrary treatment, that they are subject to the whims of sugar estates for recognition by the Sugar Insurance Fund Board and for them to be able to sell their canes to factories. In other words, Mr Deputy Speaker, Sir, their miserable plight, their vulnerability are exactly like those of the *métayers*, prior to the reforms of the conditions of the *métayers*, carried out by the hon. Minister of Agro-Industry and Food Security a few years ago. We should not forget that these small landless planters are important stakeholders in the sugar cane industry. We should not forget that they have contributed in their capacity to the development of the sector and of the country. We far too often forget, or too often underrate that contribution of the small planters, small landless planters to the national economy and to the social fabric of the nation.

Furthermore, for many of these small landless planters, this activity is their main, if not, their sole revenue generating activity.

With this Bill, this vulnerability is being addressed and eliminated as the term '*métayer*' will henceforth also encompass the aforementioned planters who will therefore benefit from the same conditions under the law as the *métayers*.

Mr Deputy Speaker, Sir, there needs to exist a morally and ethically justifiable and socially acceptable balance between, on one hand, considerations of national interest and the protection of the more vulnerable categories of our population and, on the other hand, the extent to which the State can extend assistance to an economic sector in given circumstances. We have to recognise this morally and ethically justifiable and socially acceptable balance. Graphically, Mr Deputy Speaker, Sir, this balance is where the line of convergence of these two considerations meet. But after they have met, they become lines of divergence. This is the situation in which we are today and that the hon. Minister is correcting through this Bill. This Bill is setting the balance right, Mr Deputy Speaker, Sir. For this, I, again, congratulate my colleague, the hon. Minister of Agro-Industry and Food Security for introducing this Bill to the House and, again, thank the hon. Prime Minister for inspiring this piece of legislation.

I thank you, Mr Deputy Speaker, Sir.

(6.32 p.m.)

**Mrs S. B. Hanoomanjee (Second Member for Savanne & Black River):** *Mr Deputy Speaker, Sir, I am perplexed! I should say that I was perplexed when I received the first series of amendments to the SIE Act which were circulated on 24 May. I was asking myself why soudainement le gouvernement fait un virage à 180°, prétend déclarer la guerre avec le secteur privé et étend les incitations du VRS au ERS! Je me demandais pourquoi, quelles étaient les motivations réelles de ce changement de politique dans une conjoncture où la centralisation des usines sucrières est presque complétée et qu'on ne prévoyait pas de si tôt un dégraissage des usines.*

Mais, M. le président, quand j'ai vu la deuxième série des amendements, j'ai tout compris. Tout cet exercice est un *eyewash!* Le gouvernement jette la poudre aux yeux des petits planteurs et de la population! Tout ce qui a été préconisé - et je dis bien tout ce qui a été préconisé dans la première série d'amendements a été complètement retiré! Quelle volte-face de la part du gouvernement! Amendement sur amendement sur amendement sur

amendement ! Nous avons eu quatre amendements ! Un travail, je ne sais pas, si a été fait au petit bonheur mais jusqu'à hier après-midi on a encore reçu un dernier amendement!

The first series of amendments were circulated on 24 May and the second series on 31 May. On that same day, that is, on 31 May, a representative of the MSPA indicated to a newspaper that his association had a fruitful meeting with the Minister. Should we understand then that the second series of amendments, which in fact give back to the private sector what had been withdrawn in the first series, has been the basis of the meeting? *Un exemple flagrant est la clause 7 (b) which amends section 27 on expenditure allowed to sugar companies.* The first amendments circulated had curtailed everything. The second amendments restored what existed previously.

Le ministre, selon moi, a du et a été contraint par le secteur privé de revoir sa copie. Au fait, il a été contraint de retourner au point de départ et les grands gagnants sont toujours les barons sucriers et les grands perdants, les petits planteurs ! Au fait, cet amendement, M. le président, démontre encore une fois que le gouvernement se range du côté des barons sucriers au grand détriment des petits planteurs.

Mr Deputy Speaker, Sir, the Government has had several opportunities to bring amendments to the SIE Act to benefit workers of the sugar industry. I still recall the criticisms which were levelled when the SIE Act was amended in 2001 and the VRS concept was introduced. Those who were in the Opposition then stated that sugar workers should leave the industry as a policy of attrition which meant that the workers would have left the industry without any compensation and without getting even one toise of land! But the 2001 amendments allowed them to reap the benefits of their hard labour. They received big amounts of compensation and even 7 perches of land each.

With the comments that were made on the 2001 amendments, it was expected that the Government, once in power, would review the policy of laying off employees of the sugar industry. But, Mr Deputy Speaker, Sir, no, no! In 2007, the Government introduced another concept for the laying off of employees – the Early Retirement Scheme and I quote what the Minister said then –

“It is to facilitate the voluntary retirement of employees in a sugar factory that would not close down but may still need to right-size its labour force.”

That was the speech of the Minister in 2007. It appeared that the Government then had understood that the policy of attrition could not be applied but that even sugar factories which would not close down might need to reduce its labour force.

This therefore brings me to one fundamental question: In 2007, when the concept of ERS was being introduced, why is it that the then Government did not extend the incentives applicable to VRS to the ERS? Can we know why the Government did not then extend the same benefits to these employees? Since 2007, so many employees have already taken the ERS without benefitting anything! *Cela ne gênait en aucune façon le gouvernement! Maintenant, six ans après qu'il ne reste presque rien à faire, presque toutes les usines ont fermé leurs portes, le gouvernement vient maintenant avec cet amendement.* This is why I sincerely think that the Government is doing its *mea culpa* and I am referring to clauses 4 and 6 and amendments which are being made to sections 14 and 25 of the SIE Act.

Let me address one issue which is very dear to me – section B of the Explanatory Memorandum which states, and I quote –

“extend the definition of ‘*métayer*’ to include a person who, at the commencement of this Act, has been cultivating cane on land leased from the planter for a consecutive period of 3 crop cycles:”

First of all, the crop cycle is not defined. This has to be clarified. But then, Mr Deputy Speaker, Sir, regularise those who have contracts with planters as ‘*métayers*’ to do what? We should not forget how the Government, through the Commission for the Democratisation of the Economy, reached an agreement with the MSPA in 2008, wherein *métayers* would swap strategic lands, which they have been occupying for years against non-strategic lands. This famous agreement clearly specified, and I quote -

“Sale of lands by owner States to *métayers* will be considered for lands which are not defined as strategic.”

By whom? By the owner States. So, they were the one to decide which land would be strategic and which land would not be strategic. It goes on to say, *comme pour enfoncer le clou dans la plaie*, in case the lands occupied by the *métayers* and which *métayers* would wish to purchase are considered strategic by the owner State, an alternative site then will be offered for sale by the owner State. So, the planter does not have a say as to whether his land

would be considered strategic or not, the agreement clearly mentions that it is the owner State who decides whether it is strategic or not strategic.

Mr Deputy Speaker, Sir, we all know that these *métayers* took marginal lands 25 years ago or some even 50 years ago, from generation to generation from the Sugar Estates. They toiled very hard to transform these marginal lands into very productive lands. They had, over the years, spent money to derock these fields, to introduce irrigation facilities so as to enhance production. In fact, they transformed marginal lands into productive lands which the owner States would now termed as strategic land.

I have, myself, raised this question several times in this House because *métayers* were coerced to leave the lands they have occupied for years. The Sugar Estates were putting the knife under their throat to leave the strategic land and, finally, most of them had to leave. I know that the hon. Minister will say that the *métayers* were not coerced to leave their land, but I can give examples of those who have had to bring the matter to the Supreme Court. There is the case of someone - I won't mention the name - but one Mr P.N., whose contract had expired in December 2011. He asked for renewal from Constance La Gaieté Sugar Estates. The latter refused categorically to renew the lease considering the land to be strategic land. The planter entered a case in the Supreme Court and he won his case. There is the case of another planter, one Mr P.G. who also had to go to the Supreme Court. He wrote a letter on 09 October 2011 to Constance La Gaieté Sugar Estates for renewal of his *métayer* lease. On 10 November, the Estates General Manager replied and I quote what he said in his letter -

“I regret to inform you that your contract cannot be renewed due to the fact that the land is situated in the strategic zone and that you have been invited to choose another alternative land under the package deal.”

Mr Deputy Speaker, Sir, to what package deal is he referring? Who had been deemed fit?

**Mr Faugoo:** Mr Deputy Speaker, Sir, the hon. Member is going completely outside the scope of the amendments which we are talking today. There is nothing in this particular amendment Bill which concerns the *métayers* on which she is debating today, Mr Deputy Speaker, Sir. There is one section, that is, section 12, where we are bringing new planters who have a contract. There is nothing in this particular Bill, which concerns existing '*métayers*'. She is completely outside the scope of the Bill.

**Mrs Hanoomanjee:** Mr Deputy Speaker, Sir, let me tell the hon. Minister that he is bringing in new *métayers*. Those who will get contracts now with the Sugar Estates, those who are outside, he is bringing in new *métayers*. It is good now to see what would be their plea because that was the same thing which happened to the previous *métayers*. They also got land, and after sometime, they were told that their lands have become strategic and that they should give away their land. Now, my second point is that hon. Cader Sayed-Hossen opened the debate and he referred to the agreement and to the package deal. So, why should I not refer to the package deal? He opened the debate. I am sorry!

Let me say who had deemed it fit and very convenient to sign such an agreement behind the back of the *métayers*. The Chairman of the Committee on the Democratisation of the Economy was even convened by Mr Alexander Boraine, of *Commission Justice et Vérité* to explain. Mr Boraine was, himself, surprised when hon. Cader Sayed-Hossen laid all the blame on the back of the then Mauritius Sugar Authority. Mr Boraine even stated, and I quote from a daily newspaper which reported the issue. He said -

*“Vous semblez plus prompt à vous montrer dur envers la MSA qu’envers le gouvernement.”*

Mr Deputy Speaker, Sir, I also wish to inform this House that because eight *métayers* are contesting, now, as at today, and do not want to move from the so-called strategic land and have brought the matter to court, you will be shocked to learn that instead of taking 10% of the *métayers*' sugar proceeds, the Sugar Estates concerned is taking 17%. He does not have the right to take 17% out of the sugar proceeds. He is entitled to only 10%. Complaints have been made by the *métayers* to the Ministry of Agro Industry and the MCIA, but they have met deaf ears. The Sugar Estates concerned has told the *métayers*, and I quote -

*“Tant qui zot pas faire land swapping pas pu gagne sa surplus l’argent là.”*

That is what was said to them when the *métayers* asked for refund of their additional 7%. This is happening right now. But who cares, Mr Deputy Speaker, Sir? *Maintenant, la cerise sur le gâteau!* When the hon. Minister, in his second reading speech, says and I am quoting -

*“(...) the motivation for presenting this Bill is to ensure the preservation of agricultural lands which are essential in the wake of the global food crisis that is still looming around us.”*

Mr Speaker, Sir, in 2008 when the deal was being made with the private sector to take away strategic lands from the *métayers* to be put to other uses, the hon. Minister then did not deem it fit to preserve agricultural land. When first-class agricultural land was being snatched from the *métayers*, why did not he think of preserving agricultural land? And, if I go deeper into this analysis, I find that the hon. Minister has knowingly made a difference between a planter and a miller. So, the person who has been cultivating land on land leased from a planter will be recognised as a *métayer* whereas a *métayer* who has held a lease for 20 to 50 years from a miller has to give back the land. *M. le président, c'est une politique deux poids deux mesures qui favorise à tout temps le capitaliste.*

Now, I come to amendment which has been made to Section 27 and I am referring to Clause 7 on agricultural land. Mr Speaker, Sir, henceforth, all land which is or has been at any time under cultivation of specified crops is now deemed to be agricultural land. Previously, the law made provision for conversion of land that had not been under cultivation for the past 10 years preceding the date of application for land conversion and the hon. Minister justifies the amendment as follows, I quote, he said -

“We have had cases whereby the owner leaves his land in an abandoned state and simply waits for the 10 years to elapse so that it does not fall under the purview of the SIE Act.”

True, Mr Speaker, Sir, true, there are *resquilleurs*, but the measure of the hon. Minister may have major collateral damages on the small and medium planters. Let me explain by taking one particular case. A small planter has land in an irrigation zone. This zone has been deproclaimed through no fault of the planter. In the meantime, this land comes into a settlement area. Now, by declaring this land agricultural there is a real risk of the value of the land depreciating drastically. What happens if this planter has now to dispose of his assets to enable his children to undertake studies or set up a business? The small medium planters who find themselves in this particular situation are definitely being penalised while the big ones would have already obtained their land conversion that adds big value to their land. Once again, we see that this Government is looking only in the direction of the *secteur privé* while giving the impression that it is acting against them. In other cases, planters have been compelled to abandon their land on account of real problems of labour shortage, old age and cost of inputs; penalising the whole community of small and medium planters just because the Ministry is unable to act against *des resquilleurs*, is not fair. There must surely



be a way to deal with land issues in a more humane manner. How does this contrast with the caring and widening of circle of opportunities approach adopted towards the golf course developers?

So, Mr Speaker, Sir, if a small planter is not being given irrigation, he has had to abandon his land due to no fault of his for 10 years. For 10 years the Irrigation Authority has failed to provide water. Now, it is the small planter who is being penalised. His land will still be considered as agricultural land. I cannot understand the rationale behind this decision. What hell would that small planter do if he does not have access to water and, on this score, Mr Speaker, Sir, I am humbly requesting the hon. Minister to review his decision.

Mr Speaker, Sir, the definition of agricultural land is made to stop speculators from obtaining agricultural *morcellements* and subsequently, selling them for eventual conversion to non-agricultural use by prospective buyers. I am asking another question. Why is it that Government is coming with this amendment now? Why is it that Government did not come with this earlier? Is it because it had to allow the SIT to have recourse to this bypass route? There have been so many of these cases in the recent past where the Ministry of Agro-Industry and Food Security has allowed the SIT to do *morcellement agricole* and the SIT has already done a lot of it. Now, the law comes for the small planters.

Reference has been made in the speech of the hon. Minister to food security and the need to produce food. The objective is very good. The objective is not being challenged, but let us see what this Government has done in the past and, in fact, if Government wishes to make effort to enhance food production whether over time it had taken the right decisions. First, deproclaim irrigation zones. Second, divert water from agriculture to the Jin Fei area. Third, uproot planters from Riche Terre in favour of Jin Fei and until now, they have not been given a square inch of land. Fourth, grant land conversion exemption for golf courses, in one case, Bois Sec, and we are still waiting the reply from the hon. Minister on a PQ which was addressed to him by hon. Pravind Jugnauth recently to the Minister of Finance and Economic Development and no one yet knows whether the tax exemption is on 540 arpents; the whole extent of the proposed development which would amount to nearly Rs800 m. or on a lesser extent. It should be noted that exemption to the payment of land conversion tax had been removed in the Finance Act 2010. That provision was removed in the Finance Act 2010, but it has been reinserted in the Finance Act 2011.

So, Mr Speaker, Sir, in Clause 7 there is again another major amendment which is being brought where the term 'expenditure' is being redefined. This amendment, Mr Speaker, Sir, goes at the very heart of the conditions enshrined in the blueprint. Conditions imposed in respect of factory closure and Sections 23 and 23(a) and the Eleventh Schedule of the Act. So, what does the first series of amendments which were made to Section 27 meant? The first series, I said, of amendments which was circulated on 24 May that was before the other series of amendments came, what did that mean then? It meant, firstly, that the costs of offsite works which are not decided by the sugar companies, but imposed by the *Morcellement* Board in respect of the Blueprint, VRS and ERS are being removed. That was what meant in the first series of amendments; the cost of offsite works not decided by the sugar companies, but imposed by the *Morcellement* Board were being removed. The second amendment which was brought before the second series of amendments meant that the Rs15 m. which were contributed by the sugar companies, as per the Blueprint to the Planters' Fund would not be recognised as expenditure.

Thirdly, that the cost for the upgrading or modernising of factories receiving sugar cane in the context of a closure would also no longer be recognised as expenditure. That was the first amendment which was brought.

*(Interruptions)*

That was the first amendment! You have to listen!

**The Deputy Speaker:** Please, don't indulge in an argument! Hon. Assirvaden, please, do not intervene!

**Mrs Hanoomanjee:** Mr Deputy Speaker, Sir, let me say that this piece of legislation is a very complex one - I am sorry that the hon. Member does not understand! Fourthly, the computation of interest to be allowed for the recouping of cost purposes is being reviewed, namely interest on loan contracted at the current landing rate which is charged on the amount advanced and not on the total implementation cost. Mr Deputy Speaker, Sir, with those series of amendments, I thought that, at least, the hon. Minister was coming with good proposals. I started my speech by saying that I am perplexed. Mr Deputy Speaker, Sir, who has studied the SIE Act in its globality? Who has followed the evolution of the sugar sector over the years, especially during the years this Government has been in power? Who would not be perplexed with such amendments, because Mr Deputy Speaker, Sir? Immediately after the

circulation of these amendments and these good proposals, the sugar barons set themselves to task. *L'honorable ministre a succombé à la pression de la MSPA.* A second series of amendments were circulated and I was shocked and surprised to see that all the benefits which were withdrawn were being reinstated.

Firstly, onsite infrastructural costs in relation to land being offered to employees are considered, now being considered once more as expenditure and even offsite works have now been included, as may be approved by the hon. Minister.

Secondly, the cash compensation paid to employees with the second series of amendments is again considered as expenditure.

Thirdly, the cumulative interest at prime lending rate on loans contracted is back again.

Fourthly, the costs for upgrading of modernising factories in the context of factory closure have been reinserted in the legislation. *M. le président, qui veut-on leurrer ? Est-ce que c'est une farce, je me demande.*

The Government, Mr Deputy Speaker, Sir, has allocated more than 75% of the money which was allocated to Mauritius by the EU in terms of accompanying measures to the sugar barons. In fact, more than Rs7.5 billion have been used to finance the VRS 2 the ERS and the whole restructuring programme of the sugar sector. All expenditure in relation to factory closure, including infrastructural costs in relation to land offered to employees, cash compensation paid to employees, cost for modernising or upgrading of factories, all have been met from money which was supposed to go to small planters - contrary to what the MMM-MSM did in 2011 when the VRS was being implemented.

*(Interruptions)*

The private sector in 2001 - in the legislation - had to sell their lands and they had to take loans to meet the VRS cost. *Mais, avec le gouvernement travailliste ils ont eu une manne du ciel.* They did not have to disburse money; they received money from EU Funds. This is the truth!

Furthermore, Mr Deputy Speaker, Sir, let me remind the House that it was this Government which increased the price of sugar in the local market to eliminate the losses incurred by producers on sugar sold on the local market. Those were the exact words

mentioned in the Multi Annual Adaptation Strategy document and the private sector recouped about Rs600 m. out of this decision *sur le dos de la population qui a vu le prix du sucre passé de R 5.50 le kilo à R 40 le kilo*. With the increase in the price of sugar, the private sector will obtain about Rs5 billion over a period of ten years. After having given so much, now Government is coming forward with another piece of Legislation et, *comme je disai*, we were so glad that the hon. Minister was coming with these amendments, but after the series of amendments brought, *là, je dois dire qu'ils sont revenus sur leurs décisions*.

Now, I am referring to Section 28 of the SIE Act whereby a new sub-section (8AA) is being added to give powers to the Land Conversion Committee to direct an applicant to amend his application so that the conversion is for a mixed development use, comprising residential, commercial, leisure and social components with a defined percentage allocated to each component, failing which an application will not be considered. Mr Deputy Speaker, Sir, this is another fundamental change which is being brought to empower the land conversion committee which is chaired by the Permanent Secretary of the Ministry and which is under the direct supervision of the hon. Minister. Can I ask the hon. Minister why no reference have been made to the type of application and to the extent of land under issue, and why everything is left to the discretion of the Land Conversion Committee?

Mr Deputy Speaker, Sir, my humble view is that we seem to be moving from a business facilitation framework to a centrally planned one.

Clause 8, introducing Section 28 (8AA) is bound to create conflict zones between the Ministry of Agro Industry and the Ministry of Housing and Lands. Offsite works are imposed by the *Morcellement* Board in its letter of intent and it is wondered how the hon. Minister of Agro-Industry will give its approval thereon. The *Morcellement* Board and not the Land Conversion Committee are empowered under law to make recommendations on mixed or other use and even then, after the receipt of an EIA certificate.

Mr Deputy Speaker, Sir, I think I have not as yet made comments on section 11 subsection 2 concerning the convergence of two units of acreage for every unit of acreage sold to Government or any specified entity; the proceeds of which could be used to recoup expenditure incurred in the context of the VRS which has been deleted. However, convergence of three units of acreage for every unit of acreage sold to Government has been maintained. My analysis is that from economic perspectives if real costs, costs of compulsory acquisition, benefits, all taxes and economic benefits on duty-free growth are taken into

account, and not solely the notional land conversion tax, Government stands to lose through this measure.

This reminds me, Mr Deputy Speaker, Sir, of Bassin in my Constituency where through the two to one scheme I requested Medine Sugar Estate to give to Government two arpents of land for a football ground. The Minister of Public Infrastructure, hon. Bachoo, knows very well what I am talking about since for two consecutive Municipal Elections, he has been promising the youngsters of Bassin a football ground. The first time was in 2005 and the second time only recently in December last year. In fact, I had already identified two arpents of land to which Medine was agreeable, but the Ministry of Agro Industry opposed the project saying that he needed agricultural land.

Mr Deputy Speaker, Sir, if today Government has to purchase two arpents of land in Bassin, how much Government will have to disburse, but, in spite of my repeated requests, nothing has been done and that project could have been done under section 11 subsection 2(a) which is now being deleted.

Yet, Mr Deputy Speaker, Sir, I fail to understand how subsection 3 of section 11 is being maintained and here I'll request the attention of the technicians and maybe the technicians of the State Law Office. If we refer to the main Act and we look at subsections 4, 5, and 6, it is clearly stipulated. I am referring to section 11 subsection 3 and if we look at subsections 4, 5, 6 it is clearly stipulated that, I quote –

- '(5) No application for the first 2,000 arpents (...) be entertained after 31 July 2003.'
- (6) No application for the remaining 800 arpents (...) shall be entertained after 31 July 2006'

So unless this has been done on purpose, because otherwise this section of the legislation does not have its purpose because this has lapsed since 2003 and since 2006. So, I leave it to the Minister, the technicians and the State Law Office to see why this piece of legislation has been left there.

Now, the last amendment on which I am going to comment, Mr Deputy Speaker, Sir, is paragraphs 8 and 9 of the Twelfth Schedule. Here again, *il y a eu une volteface du ministre qui a du revoir sa copie*. This section is being amended to limit all land conversion permits to five years and to remove the sugar reform measure which allow permits to derogate from the five-year period. Up to 2011, Mr Deputy Speaker, Sir, only sugar reform cases would have

unlimited duration permits. In the Finance Act 2012, this measure was extended to all cases and rightly so, I am not surprised to see that, less than six months after, there is a sudden reversal of policy. What may have happened, I don't know, but I have been given to understand that this is so. Who stands to lose? The small planter, for sure, who, after having paid a big amount of money for land conversion, cannot find additional money immediately for developing his land.

Mr Deputy Speaker, Sir, I said right from the beginning, this SIE Act is a very complex piece of legislation. There have been so many amendments to this law since 2001 that it has become like a jigsaw puzzle and unless to put all the pieces together, nobody will get a true insight of what amendments are being brought.

So, Mr Deputy Speaker, Sir, before drafting my intervention, I have once again examined each amendment that has been made over the years. I know, whatever we will say on this side of the House, the Minister will get his Bill through. We know that. *Je me réfère encore une fois* to the last amendment which was circulated yesterday in clause 13 – savings which states that –

### **13. Savings**

- (1) Any application for land conversion that is pending at the commencement of this Act shall be dealt with and processed as if this Act has not come into operation.

Just look at the last amendment which has been circulated last night. It adds that –

- (2) Any application for land conversion in relation to a factory closure shall be dealt with and processed as if this Act has not come into operation.

M. le président, c'est clair aujourd'hui que cet amendement est dans l'intérêt du secteur privé. On sait que Deep River Beau Champ *alteo et terra* soon may close their doors *et le ministre a déjà pris ses précautions pour faciliter la tâche de ces opérateurs* otherwise what is the use of coming with this amendment si ce n'est pas pour faciliter la tâche à ces opérateurs.

Bon, cela le ministre peut le faire mais je reviens et je termine là dessus M. le président. Pour ces grands opérateurs, on a pu emmener un amendement à la dernière minute mais pour Saint Felix, M. le président, où 22 petits employés sont concernés, ils ont pris leur VRS en 2005; ils ont eu leur compensation; ils n'ont pas eu de terre. They have not obtained

land, they have gone to court, why is it? Because it is in my Constituency these people. Why is it that when the Minister can come...

*(Interruptions)*

But it is in my Constituency, I have to plead for my constituents. If the Minister can come with a piece of legislation for the big operators; has had amendments circulated till last night for them, why is it that he cannot come with a piece of amendment for these small employees.

*(Interruptions)*

Mais non, M. le président, ce ne sera pas comme cela. Les gros opérateurs auront leur mot tout le temps. Le ministre a encore une fois démontré clairement qu'il ne peut résister au lobby du secteur privé. Il a été contraint de revoir sa copie à quatre reprises avec quatre amendements et cela saute aux yeux M. le président aujourd'hui que le gouvernement est en train de faire le jeu du secteur privé. Le ministre a essayé; je dois dire, il a essayé il avait commencé sur un bon pied. Il a essayé d'avoir une confrontation avec les amendements qui avaient été circulés en premier lieu. Je me suis en train de me référer aux premiers amendements qu'il avait portés mais il a échoué lamentablement et la preuve, il vient avec plusieurs autres amendements pour corriger; la première série nous le démontre clairement. M. le président, finalement, le gros gagnant c'est toujours le secteur privé, les barons sucriers et les grands perdants sont toujours les petits planteurs.

Merci M. le président.

*At 7.33 p.m., the sitting was suspended.*

*On resuming at 8.49 p.m. with the Deputy Speaker in the Chair.*

**The Minister of Foreign Affairs, Regional Integration and International Trade (Dr. A. Boolell):** Mr Deputy Speaker, Sir, let me, right from the outset, extend warm congratulations to my colleague, Minister responsible for Agro-Industry and Food Security, to whom additional responsibilities have been conferred.

Congratulations are in order despite the fact that sometimes the order can be very tall, but the Minister is like still water. He runs deep, very thorough and, of course, his Ministry

never takes a decision lightly. There is wide consultation and there have been wide consultations with all the stakeholders. I have not heard any dissenting voice in respect of the amendments being brought to a legislation which is, indeed, very complex, as has been highlighted by hon. Mrs Hanoomanjee, but they have been waiting desperately to hear adverse comments from our friends, from the small planters, organisations or from the MSPA. And I am sure my friend, the hon. Minister - unlike the former Minister of Agriculture, then, hon. Pravind Jugnauth - did not cross the road from Government House to Plantation House. The Minister certainly did not obtain any instruction or did not seek instruction from Plantation House.

Mr Deputy Speaker, Sir, we believe in policies where we reconcile social and economic factors. I am rather surprised and I will come to the perplexity of the hon. lady, hon. Mrs Hanoomanjee, who was appalled and shocked. I recall in 1997, Mr Deputy Speaker, Sir, she was fully involved in the preparation of the blueprint for centralisation. One should recall that the writing was then on the wall. In the anticipation of a drastic drop in the price of sugar, we had to, of course, be prepared and we had to look at our level of preparedness and we had to sensitise all the stakeholders, but our main attention was focussed on the interests of the small planters and you had to empower the small planters. Precisely, the reason then, despite hue and cry from our friends from the Plantation House, we revised the apportionment ratio and increased it by 2% in favour of the small planters. Since then, we have travelled a long way. Of course, I take it for granted and, rightly so, that the Government which came after us had no choice but to accelerate the pace of ongoing reform. Reform cannot take place without concession. And I am not going to highlight the host of incentives and facilities allocated to the corporate sector, the concessionary loan and the scheme allocated to them to enable them to sell land to meet the cost of reform.

But, you see, Mr Deputy Speaker, Sir, if I am going to embark on a blazing trail of demagoguery, where will it lead the planters or the corporate sector? We have to admit that there is an organic link between the planter and the corporate sector. I am not going to highlight what took place at the stroke of midnight when the deal was clinched against the advice of our friends from the State Law Office. I am not going to highlight who the beneficiaries are. Let me say that there was no *trésor* for the small planters. They ended up in the desert and there was no oasis except mirage.



When we came back to power, Mr Deputy Speaker, Sir, in 2005, we embarked upon sectoral reform, we embarked upon macroeconomic reform and, eventually, we created the fiscal space. It is this fiscal space which gives us the leverage and the leeway necessary to empower our people and precisely to widen the circle of opportunities. I am not, Mr Deputy Speaker, Sir, going to remind the House that there was a drastic drop in the price of sugar by more than 42%. And we went all over the country to impress upon the small planters the relevance and importance of regrouping. My friends came up with the policy of Field Operations, Regrouping and Irrigation Project (FORIP). But, at the same time, I recall we were straight and we told our friends, the small planters, that they should leverage their assets for agricultural or non-agricultural purposes. Earlier, hon. Mrs Hanoomanjee talked of deproclamation of land where there is no irrigation or release of land in areas where the boundaries have been redefined. What were the objective and purpose? Precisely to respond to the needs of those planters who were weak, small and vulnerable but whose land was located in strategic areas. But, for those who could regroup, what is the relevance of regrouping if it is not to achieve economies of scale? What is the relevance of economies of scale if it is not to bring down cost? Mr Deputy Speaker, Sir, the hon. Prime Minister is right when he says that no one owes us a living, that there is no free lunch and that the days of preferences are over. My good friend just came back from a lobbying mission and he will tell you the expectation of ACP countries and sugar producing, that no ACP country should be worse off, is no longer a reality. We expect the regular quota allocation which is relevant to Mauritius and to neighbouring countries to last the duration of the Cotonou Agreement. But we know what is happening. If it were not for the EU Parliament, they would have undermined and undo the whole process! I thank my good friend the hon. Minister together with other Ministers on the lobbying trail to impress upon the European like-minded countries as to the importance and relevance of the sugar cane industry to a small island with a high vulnerability index, Mr Deputy Speaker, Sir.

When we come with savings, what are we saying? There is bound to be closure of factories. The restructuring programme which we have accelerated is not over, Mr Deputy Speaker, Sir. But we have to look beyond the shores of Mauritius, whether it is Alteo or Terra. What we need to say to the planters and the SIT: make the most of the opportunities, grasp the opportunities. The Omnicane is investing 200 m. US dollars in a flexi factory in Kenya. Alteo is moving at an incredible speed in Tanzania. Terra which has concluded a strategic partnership with Banyan Bank is keen to invest in other African countries and the

opportunities are knocking in Ethiopia. But this is what my colleague, the hon. Minister of Agro-Industry and Food Security is saying to the planters: make the most of the opportunities, grasp the opportunities. Don't think small. Here we have *toises*, over there they have hectares, Mr Deputy Speaker, Sir. We cannot be blind and insensitive or impervious to changes which are happening on the international scene and which will have repercussion on small planters or on the corporate sector. I have said earlier there is an organic link between the corporate sector and the planters, Mr Deputy Speaker, Sir.

But, I come back, Mr Deputy Speaker, Sir, to opportunities knocking. In a couple of years time the hon. Minister will tell you we will have to negotiate new market arrangements. As matter stands, with the structural reform, today planters can earn almost 576 euro per tonne of sugar compared to 426 when we had the Sugar Protocol. But we constantly need to add value to the sector. Hence, the importance and relevance of the Democratisation Fund which, of course, is there and which will certainly pick the low lying fruits when the time is right, when we concluded negotiations with the corporate sector in respect of bagasse transfer price and all the value addition which also, Mr Deputy Speaker, Sir, should accrue to a greater extend to the small planters. We have told planters that their sugar cane is the best carbon dioxide cleanser and we have. The MID should also give due consideration to the small planters because they have a crop which is the best carbon dioxide cleanser.

What is my good friend saying? Land is a scarce commodity. Unless we go for land reclamation, Mauritius will still have a land surface area of 720 square miles. Of course, tomorrow when you wake up, Mr Deputy Speaker, Sir, you can proudly say that you are not only a citizen of an island, but also of an ocean State. That will come. But, in the meantime, we have to do with what we have. We have *toises* in this country, in Africa they have hectares. This is why my colleague wants to safeguard the interest of the planters, to protect the planters because what is happening, Mr Deputy Speaker, Sir? There is encroachment upon prime agricultural land. Who set the tone in 2001, 2002 and 2003 when there was encroachment upon prime agricultural land? If I have to refer to the findings of the report published by the MSIRI and the FAO, Mr Deputy Speaker, Sir, it was a crime committed against the planters and against the country when they encroached upon prime agricultural land. But, of course, my good friend is saying that whether it is the 3:1 scheme or the 2:1 scheme, we are going to bring it to a halt. Enough is enough! What more? He has raised the threshold in respect of the exemption for land conversion.

So, if tomorrow, the cost of closure of a factory cost Rs200 m., instead of dividing it by Rs3.5 m., we are going to divide it by 5.5, which means that we are saving on land which has become a scarce commodity. Land which is so dear to all of us, Mr Deputy Speaker, Sir, and we pressed upon our friends, land is sold only when you are in difficult circumstances or you sell the land to empower your close friends, children, wards or daughters.

But, Mr Deputy Speaker, Sir, let me also make it quite clear that choices have to make. And, choices can be very hard to make. When we talk of '*metayer*', Mr Deputy Speaker, Sir, I congratulate my friend, the hon. Minister. Let us look at the objectives of the Bill, and I quote –

“(…) extend incentives presently applicable to VRS projects, to ERS projects (…)”

Let me come to the ERS. Since 2006, we have allowed workers in the field on the factory to offer early retirement. But there was an omission in the legislation. Today, we are filling the gap. This is a legitimate decision, Mr Deputy Speaker, Sir. In fact, we are responding to the needs of the workers because they are entitled to the same incentives and facilities like those who opted for VRS or for closure of factories.

Then we are talking about definition of '*metayer*'. Let me remind our friends, they have perpetuity, security of tenure, here today and here to stay, immovable, some people can rearrange the furniture, but the '*metayers*' are immovable. Some people may choose to lodge cases before the Supreme Court, but the '*metayers*' are here to stay. There has been a ruling in respect of '*metayer*' given by the Privy Council. Hon. Mrs Hanoomanjee should recall the measures taken then to ensure that the '*metayer*' become deeply rooted. I do not have to highlight what my good friend has stated, hon. Cader Sayed-Hossen, in respect of the additional benefits being extended to '*metayer*'. The historical deal concluded between the hon. Prime Minister and the MSPA, when the 2000 *arpents* were given to the State, Mr Deputy Speaker, Sir.

Fourthly, to meet the legitimate aspiration of those who are weak, want to have a roof over their heads, want to be given accompanying measures, want to take up the social rung of the ladder, this is the policy spelt out by Government. Land is extended to small entrepreneurs with the Business Growth Scheme that we are putting in place. Mr Deputy Speaker, Sir, the host of incentives and facilities that we are extending to small and medium

size entrepreneurs and to those who are keen to have started up. So, we have travelled a long way, but we cannot, Mr Deputy Speaker, Sir, maintain *status quo* and this is what my good friend is saying.

In respect of '*metayer*', let me come back. We have taken up the sensitive issue of our friends from Bel Ombre. I must also thank Mr Kishore Deerpalsing, despite having all the time to himself, but of course, has shown keen interest to help our friends from Bel Ombre. We raised the matter. The hon. Minister is fully aware. But, nobody, Mr Deputy Speaker, Sir, can remove them from the land that they are occupying. If tomorrow, the land is strategically located, but there is a good trade-off, why not? But do not take them for granted. Planters are no fool! They have rights. Others have obligations towards planters because of the organic link between planters and the corporate sector.

Hon. Mrs Hanoomanjee was talking of prime agricultural land. '*Metayers*' do not have prime agricultural land. Precisely, the reason as to why, when we entered into a discussion with the MSPA, we saw to it that the interest of '*metayer*' should be safeguarded. When we talked of 10% sugar proceeds, which should be allocated to the corporate sector, this is legitimate. But when you come and say that pressure is being exercised upon them, to increase the proceeds from 10% to 17%, this is uttered demagoguery. I think the hon. Member is embarked upon a blazing trail of demagoguery. I think it is not fair. Our friends from the Cane Industry Authority have the power to act.

*(Interruptions)*

They almost have unfettered powers, Mr Deputy Speaker, Sir, to take to task those who are trying to exploit, those who want to usurp the powers of the '*metayer*'. We live, Mr Deputy Speaker, Sir, in a country where there is the rule of law, where there is decency and the days of new colonialism are over. We rule again in this country, Mr Deputy Speaker, Sir. So, I make a plea to our friend: stop the demagoguery because the rot has settled in on the other side.

*(Interruptions)*

**Mr Deputy Speaker:** Hon. Mrs Hanoomanjee, please!

**Dr. A. Boolell:** Mr Deputy Speaker, Sir, let me come to another issue: land speculation. Earlier, hon. Mrs Hanoomanjee talked about areas which have been proclaimed because there is no irrigation and opportunity is being extended to our friends. If they want

to submit their application for land conversion, I do not see my good friend denying them the right because there is provision in the legislation for them to convert the land, if they so decide. But what are we saying? Do not allow land to stay idle. Do not allow land to remain fallow. Put it under cultivation because we want to boost food production in this country. We want to earn our commitment vis-à-vis our buyers, therefore, we need to bring land under sugarcane cultivation or otherwise. My hon. friend is right when we talked about aggregate of land to be allocated to all those who are eligible. I was talking to the hon. Minister of the opportunities in respect of *grand saison*, what we call short season. Sometimes, Mr Deputy Speaker, Sir, the land is not released because interline cropping can be difficult. They have an obligation to release land as and when required, to honour the commitment of those who are eligible to have land on a rotational basis or to go for interline cropping in their own – if they do not get land from the corporate sector – sugarcane field, Mr Deputy Speaker, Sir.

On the other hand, Mr Deputy Speaker, Sir, when we talk of Agricultural Morcellement, I recall when I first became Minister of Agriculture. Some people from my Constituency came to see me because they are people who supported the party - of course, we won the election handsomely - and some of them thought that things can happen overnight. They wanted to convert land which was agricultural land. When I say no, I was taken to task. Notwithstanding, of course, the additional quota which we obtained under the SPS. And we needed every iota of land to put under sugarcane cultivation. What did they do, Mr Deputy Speaker, Sir? They went to the District Council. They obtained excision permit. They started to parcel the land. At that time, people were keen to buy small plot of land.

There was no onsite or offsite infrastructure and the Land Conversion Committee at the time, you know, the Secretary to Cabinet was PS - and you were there hon. Mrs Hanoomanjee; we were powerless, because the Land Conversion Committee or the authorities concerned had not been conferred the additional powers for proper oversight and even if you go to court, let alone the time that it will take and the frustration that would settle in, what would be the outcome: frustration and frustration. So, they got away with murder. But, what is my good friend doing? In fact, he is giving additional powers to the authorities to ensure that there is proper oversight and when you look at statistics, Mr Deputy Speaker, Sir, in 2001,- if I am not mistaken - there were 80,000 hectares - a little bit more - and now, slightly over 60,000 hectares under sugarcane cultivation. Can we then, tell the hon. Minister that he is wrong to bring those amendments? Can we then, tell the hon. Minister that he is wrong? In fact, if anything, Mr Deputy Speaker, Sir, he is seeing to it that there is more land

being put under cultivation. We are honouring our commitment on the domestic front and we are encouraging our people also to cross the border and enter into strategic partnership with others so that we take advantage of the facilities which least developing countries have. We have to be innovative, to be creative, Mr Deputy Speaker, Sir, because we know what the consequences would be.

Today, 80% of our economy has become service-oriented. It will be so in a couple of years time; sugar represents only 3% or less of our GDP, but what we are saying to all partners, they have to make the most of the opportunities which are knocking, be it for the small planters, the corporate sector, the workers whom we skill and re-skill, and today, have opted to take up employment in Australia or in Canada. We have met many of them working overseas, Mr Deputy Speaker, Sir, because of the experience they have acquired working in a sector where the demand is high on the African continent also.

Mr Deputy Speaker, Sir, let me conclude by congratulating the hon. Minister. It is a job well done. It is a job to safeguard the interest of all the stakeholders in the sugarcane industry; a sector which we have turned into a sugarcane industry, a sector which has become a force to be reckoned in Africa on the African stage, Mr Deputy Speaker, Sir. But, as we say, charity begins at home, and the measures being taken to empower the small planters are measures which go in the right direction but, at the same time, we are telling our friends in the Corporate Sector, they have had enough. And, enough is enough! But, on the other hand, Mr Deputy Speaker, Sir, when they move overseas, when they cross, when they go beyond our frontiers, they have to take on board the interests of small planters through the Sugar Investment Trust.

Thank you very much.

(9.04 p.m.)

**Mr N. Bodha (First Member for Vacoas & Floreal):** M. le président, je remercie l'honorable Dr. A. Boolell d'avoir ouvert le débat, parce qu'un débat sur l'industrie sucrière, ne serait-ce que pour les amendements, ne peut pas être un débat tronqué. Nous sommes une civilisation du sucre.

Mr Deputy Speaker, Sir, we are a land of sugar politically, socially, economically, historically and our people, our civilisation, our history have been shaped by the sugar industry. There is no debate on the Sugar Industry Efficiency Act or Bill which will not raise

passion, criticism, because of the complexity of the industry, because of the number of stakeholders involved since two or three centuries. Mr Deputy Speaker, Sir, I will not go on what my hon. friend on the other side called the trail of demagogy. I will just say that he was the Minister in 1997, and in May 1997 he presented what was then called the strategic plan because he was aware, just like...

*(Interruptions)*

Yes, I think she was a high officer ....

*(Interruptions)*

I think she did her job.

*(Interruptions)*

She did her job.

*(Interruptions)*

What had happened between 1995 and 2000, Mr Deputy Speaker, Sir, whether the Government had failed to address the pressing issues, had lacked courage to initiate appropriate remedial action, yet it was written - the hon. Minister wrote it, he said –

“It is imperative for Mauritius to use the 1995-2001 grace period of stable nominal price to carry out major reforms (...).”

But, no major reforms were carried out between 1995 and 2000, Mr Deputy Speaker, Sir! And the Blueprint presented by Government, presented by the hon. Minister said –

“(....) major reforms in the sugar industry to reduce cost of production, optimise the use of by-products, foster environmental protection, improve health and safety at the workplace and enhance sugar recovery so as to face the challenges of the 21<sup>st</sup> century and take up all the opportunities.”

None was taken!

Mr Deputy Speaker, Sir, we want it or not, the sugar reform of 2000 of the MSM/MMM Government heralded the modern reform of the industry. The VRS I was a model, and my hon. friend who is the spokesperson for the ACP - I have been one, hon. Dr.

A. Boolell has been one as well. All the ACP countries have congratulated Mauritius for providing that model where all the stakeholders, the Corporate Sector, the small planters, the workers, the millers were able to embark in a reform. And I remember hon. Pravind Jugnauth *prendre un bâton de pèlerin, aller dans chaque établissement sucrière à travers le pays, pour expliquer à toutes les parties concernées la valeur de la réforme, l'urgence de la réforme et la nécessité de la réforme.*

Mr Deputy Speaker, Sir, I remember we were in the MSM/MMM Government and hon. Dr. A. Boolell was there. I have said that he always has the resilience; he stood up and made a speech. He has made his usual speech - I can hear him. He was in the Opposition, I was the Minister. Then, I was the Minister and he was in the Opposition, and then things changed but the speech is the same. The histrionics are the same, but times have changed, Mr Deputy Speaker, Sir. What I deem is missing in this Bill is, it does not shape the sugar map of Mauritius - the next sugar map of Mauritius. There are a number of amendments have come to address a number of issues, but what is going to be the sugar map of Mauritius tomorrow? We are losing 2,000 hectares per year; we are only at 400,000 tonnes of sugar. What is going to happen in the next five years? We have to define the sugar map of Mauritius, and what is the sugar map of Mauritius? We have to have land dedicated to sugarcane cultivation, earmarked for sugarcane cultivation in the national interest, in the interest of the national economy, in the interest of our people.

Once you have the land earmarked for sugar which you cannot change, then you should have a second area where sugar is going to be grown for the millenium period because of pressure on land. You have to free land for non sugar economic activities, but this has to be planned. You just don't come with the law. You should have the sugar map of Mauritius. You should have a boundary, then you should have land which will be under sugar for the next 10 or 15 years. Then, you have land where you say this is sugar land, but it is going to be given to urban and other industrial activities. Then, there is something else and the hon. Minister has never mentioned this, neither has hon. Dr. Arvin Boolell. It is land which has to remain under sugar for environmental reasons, for the balance of the ecosystem. Why are the *métayers* important? Because they grow sugar on lands which are sloppy and if you remove the sugar, you will have soil erosion and the lagoons of Mauritius for the tourism industry will be destroyed. This is what the European Union has said - '*le maintien de l'activité pour des raisons de l'environnement.*' The accompanying measures that we negotiated, hon. Dr. Boolell negotiated, hon. Pravind Jugnauth and myself negotiated. We negotiated Rs2 billion



for eight years. Part of that money was for the corporate sector, part of that money was for the small planting community and part of the money was to see to it that we have the multi-functional role of sugar, that is, sugarcane has to remain in what we call Montagne Fyance, in what we call the slopes of Bel Ombre because if you don't grow cane, what are you going to grow if you want to have the environmental balance of an island which is only 30 miles by 24 and which wants to be a major tourism industry with pristine lagoons ?

When we come to the accompanying measures, Mr Deputy Speaker, Sir, which we negotiated, the Commissioner then, Mr Louis Michel agreed to give Rs1 billion every year, budgetary injection. Hon. Dr. Boolell knows it. Hon. Faugoo knows it. We are the only ACP State which obtains a direct budgetary support of Rs1 billion every year. The other billion was the accompanying measures for the industry. Now, for eight years almost, one third of that money almost should have gone to the small planters. What have we done for the small planters? Where is that money? I remember in 2005 we were speaking of *établissement ti planteurs*. We were thinking of regrouping the small planters for economies of scale. We were even talking to the State Law Office; how to ask the small planters to grant their lands for 10/15 years in an *établissement* structure for mechanisation, for irrigation and for fine derocking. What have we done with the small planters? I can understand hon. Dr. Boolell, he said the same thing ten years back. He said now the small planters have to be like stalwarts, they have to fight. They have to take the opportunities. But we are children of the small planters. Is it now that we are going to ask them to face up the new challenges? The small planters have been facing challenges for the whole century, Mr Deputy Speaker, Sir. We have to help them. *Il faut les encadrer*.

We had 30,000 small planters until recently. Now, we have about 19,000 only. Why? When you see what the small planters are saying : *les petits planteurs fustigent le syndicat des sucres. Les petits planteurs pour la production accrue des sucres spéciaux. Les petits ont des problèmes parce qu'ils ont des problèmes de main-d'œuvre. Ils ont un problème de mécanisation. Ils ont un problème de transport. Et les petits planteurs sont en train de disparaître. Mais c'est notre devoir de ne pas faire de sorte que la communauté des petits planteurs disparaisse*. It is the duty of this Government; it is our duty to see that they are very important stakeholders in the social structure. I would talk about the physical structure, sugar land dedicated to sugar, another bumper zone dedicated to sugar for the next 10/15 years, another zone where the land and the sugar is given away, converted for non agricultural activities.

Then, you have land where sugar has to be cultivated even if it is more costly and I think that the European Union, in their accompanying measures, had accepted that those people growing sugarcane fields on marginal land should be allowed to stay there, just for the balance of our ecosystem. Once we have the physical structure of sugar Mauritius, then you have the social structure, you have the corporate sector, you have the small planters, you have the workers and now, for workers, you have the temporary workers and you have the permanent workers. We have to maintain the structure. We can't let one whole community, like the small planting community, disappear.

I must say one thing, Mr Deputy Speaker, Sir, there was a debate in 2008 and that was the most important key issue, what accompanying measures we have given to the small planters of this land. Where are the billions allocated to them gone? *Ou sont les établissements ti planteurs?* Where is their participation in ethanol? Where is their participation in the energy production?

So, what I am saying, Mr Deputy Speaker, Sir, is that this Bill – hon. Mrs Hanoomanjee spoke about the non-consultative process, the whole complexity, why there were amendments and then you have the re-amendments and then other amendments were brought over a period. Why were there no consultations between the small planters, the corporate sector, the Ministry, the Sugar Authority or the cane authority? What has happened, Mr Deputy Speaker, Sir? The corporate sector has moved from a sugar industry to a cane industry with raw sugar, refined sugar, special sugar, energy, molasses, alcohol, rum, electricity, but what have the small planters done during the same period? *Ils sont restés les parents pauvres qui deviennent de plus en plus orphelins et qui disparaissent.* It is our duty; I think that there is this Bill, we should come with a number of – there is one planter who said something here –

*“Nous attendons des mesures audacieuses et profondes pour sauver la communauté des petits planteurs.”*

*Cette audace, on l'exige du gouvernement parce qu'ils sont au pouvoir aujourd'hui.* When we come to, what I said, the social structure of the industry; let us come now to the workers. If you see the figures, I think we have about 8,000 permanent workers today. The VRSI was unique. It was the first time in the history of Mauritius that we had given a plot of land to the workers and we know how it was done. The first VRS - hon. Mrs Hanoomanjee mentioned it rightly - was financed by the industry. They were given a concessionary loan. The second

VRS was financed by the European Union by more than Rs7.5 billion. I don't want to go in the trail of demagogy. The historical dealer of the hon. Prime Minister for 2,000 *arpents*, has cost the customers in Mauritius Rs6 billion with the rise in the price of sugar over the years; Rs6 billion! Each consumer! And we are still talking about the historical deal!

My understanding, Mr Deputy Speaker, Sir, is that when we talk about the sugar industry, we should do it with passion, but we should have farsightedness. The hon. Minister knows that today what is at stake is the quota at the European Union which, in fact, ends in September 2015 and he is lobbying for this quota to be extended to 2020.

I wish him well because we need this. We need to have this quota system because if we liberalise the market how can the Mauritian sugar compete with sugar from the LDC, from Mozambique or from Kenya. We need this quota system which will give us a preferential price and a guaranteed quota. We have to push for this, but, at the same time, this is on the international front and we have always done well on the international front be it Dr. Boolell or hon. Faugoo or hon. Jugnauth. We have always done well because our voice is heard, but when it comes on the local front. That is where I am saying, Mr Deputy Speaker, Sir, that this Bill, as regards to the morcellement agricole, about land conversion, these are for me small measures, but there is no thinking as we had when we started the reform in 2000. We have the VRS1, we have the VRS2. Why are we bringing this Bill? This Bill should have shaped the industry for the next thirty-fifty years with all the stakeholders. This is what I had to say, Mr Deputy Speaker, Sir, I think that my hon. colleague has gone deep and thoroughly on all the other issues as regards the conversion, as regards the metayers, as regards the morcellement board, the powers which have been given to the Minister, but my plea to the hon. Minister is to have a global view of the sugar industry or the cane industry of Mauritius and the role of each and every stakeholder.

Thank you, Mr Deputy Speaker, Sir.

**Mr Faugoo:** Mr Deputy Speaker, Sir, allow me, at the outset, to thank all hon. Members from both sides of the House who participated in the debate on the present Bill, that is, the SIE (Amendment) Bill.

Let me again reiterate Mr Deputy Speaker, Sir, that this amendment comes at an appropriate time. I think when my friend, hon. Bodha, was talking, he has lost sight of the

other side of the agricultural sector, that is, a non sugar sector. He is pressing on the sugar sector, but there is also food crisis in the world. It is not behind us the food crisis. So, there is one element which is very important, as important as the sugar sector which is the non sugar sector. We are in both sectors: the sugar sector and also the non sugar sector - food crop, livestock, fruit sector. We are at a crossroad and this necessitates this need to preserve and see to it that all agricultural land are utilised in an optimal manner.

I again reiterate that we have no sinister motive in bringing the amendments to the SIE Act, we have no hidden agenda. We are driven by one factor and only one factor, that is, to preserve agricultural land in national interest for generations to come because from what we know things may change. We don't have natural resources. Our only resource is the land that we have - the land mass and our human capital. So we need to preserve for future generation. If, today, we are facing problems of food security; if today we are importing seventy per cent of what we consume, we are still a net food importing country. What will happen in ten years, in twenty years, in fifty years, Mr Deputy Speaker, Sir.

So, the need to review the issue of land, the issue of conversion, the issue of schemes under the SIE Act, we felt it was the right time for us to review because the law dates back to twelve years and there have been so many changes, so many things which are moving fast, Mr Deputy Speaker, Sir.

If I may answer hon. Bodha who says that we must come with a sugar map at a time when he, himself, says that so many small planters have pulled out from their activity. You know, Mr Deputy Speaker, Sir, in 2007, the extent of land which was under cane cultivation was nearly seventy thousand hectares. Today, maybe it is more; last year it had come down to sixty thousand hectares - a reduction by eleven thousand and seventy five hectares. What we are doing through the amendment is not only a cane map, it is a map for the agricultural sector as a whole because we should not lose sight of what is happening on the food crop sector, not only in Mauritius in the region, at the global level also. We have to bear this in mind that this is exactly what we are trying to correct.

My Friend spoke about the challenges which are looming ahead. We had to go through the dismantlement of the sugar protocol. We have to cope with this. We had to cope with a 36% cut unprecedented in the price of sugar. When you add up other elements it comes to 42% cut in the price of sugar. Planters, especially the small planters, not the large ones, not the corporate sector, were asked to produce, to continue their economic activity; to

continue to cultivate cane when the cost of production was Rs15,000 per tonne and what they were deriving was Rs12,000, Mr Deputy Speaker, Sir. Today, we are facing with another problem, another challenge at the international front which is going to affect the small planters. The EU is minded to finish off with the quota system in the EU. The Commission is saying that they are going to do away with the quota system in 2015. There was a Council Meeting of EU which has agreed maybe to extend by two years to finish off with the quota system in 2017. As my good friend, hon. Boolell, said, luckily enough, the European Parliament has pronounced that they want to extend it beyond 2015, beyond 2017 up to 2020. This is what we are trying, at our level, at the level of the ACP with concerted effort to see to it that this is extended up to 2020 otherwise this is going to be a second major blow to the cane industry in our country and not only here, but to the whole industry in the ACP, Mr Deputy Speaker, Sir.

Having said that, let me come to what hon. Hanoomanjee had to say, let me again go through the trail of demagogy. I'll continue where my hon. Friend stopped. So, in one thing she was right when she said that the SIE Act is a very complex issue. It is a very complex subject. I can understand why she was confused. This is really complexed for her and this is why she was confused. I'll show one by one. It is not only saying, but I'll show one by one, Mr Deputy Speaker, Sir. I don't know what she is targeting at, but she says Government is on the side of the sugar barons at the detriment of the small planters. What an irony when we are doing exactly the opposite!

Mr Deputy Speaker, Sir, the increase from Rs3.5 m. of expenditure in relation to recoup cost to Rs5.5 m. - my friend, hon. Dr. Boolell, explained - is this in favour of the sugar barons raising the Rs3.5 m. to Rs5.5 m.? She is confused. She says this is in favour of the sugar barons. This is first.

Again, she says vesting power to Land Conversion Committee to direct on what type of development which is left can be carried out on the land under consideration for conversion. Today, this is left to the applicant, those who are entitled to conversion, to recoup costs for implementation of a scheme, either on the VRS, ERS or the blueprint. Today, it is at their will. They decide when, how and what development they are going to do. We are changing the law to give the Conversion Committee the power to direct them in the interest of the country, in social interest and in ecological and environmental interest, to tell them that this is not correct. We are giving the power to the committee to direct them. Is this for or against them? This was not there. This is the second point.

Concerning removal of one to two schemes, in whose favour the scheme was there? At least, the scheme was there to work out in a win-win situation in favour of Government, in favour of the applicant and of the person from whom we are taking land. At the end of the day, with so many years of experience, in whose favour was this being implemented, Mr Deputy Speaker, Sir? This is clear. We have seen cases where there is some social development, development for the public sector which is being envisaged, but they see to it that the Government does not compulsorily purchase the land. They bargain so that they go for one to two, Mr Speaker, Sir. Because this brings them lots of profits and this is why we are putting a stop to it. For them, is this in favour of the sugar barons or is it against them? This is another point.

When we are doing away with one to two schemes, Mr Deputy Speaker, Sir, at the same time we have brought amendments. I think a couple of months or even one month ago, my hon. friend, the Minister of Housing and Lands brought an amendment to the Compulsory Acquisition Act which is going to facilitate acquisition for Government projects. We are not only doing away with one to two, but we are also, at the same time, coming up with laws, with regulations which are going to be there to help Government to go forward with whatever projects that we have.

There is a provision in the law, in the SIE Act which has been there for so many years that the sugar barons are supposed to lease a percentage of the land which they are occupying to small planters. Today, we are changing the law in favour of the small planters. We are giving the power to MCIA to enter a case on behalf of the small planters, if there is non-compliance. This was not in the Act. There was a total disregard by the sugar estates as far as this provision is concerned. We had had lots of representations at the level of the Ministry and this is why we are coming with this provision. Is this for or against the sugar barons, Mr Deputy Speaker, Sir?

The interest rate of 17.5% which was being computed in the total cost of implementation of projects, 17.5% on their total cost, irrespective of whether loans are being taken or not being taken, is added so that the amount becomes bigger and they are able to convert more land. We are changing this. What we are proposing today, we are putting a complete stop to this practice, Mr Deputy Speaker, Sir. As from now on, henceforth, interest will only be on loans contracted and the rate is going to be at the prime lending rate over only two years. Is this in their favour or against them?

There is something which she said, that as if Government waited for SIT to complete their projects and then we are coming with the amendments. But, Mr Deputy Speaker, Sir, she is confused about the application of this particular amendment of this particular Act because this Act is going to apply to Rose Belle Sugar Estate Board, to SIT and to SLDC. We are not waiting for SIT to complete their projects. On the contrary, what amendments we are bringing today is going to apply to Government-owned companies, like Rose Belle Sugar Estate. Again, on this score, she was not right.

Now, on the issue of benefits accruing to VRS beneficiaries, she said why this has not been extended to ERS beneficiaries. Mr Deputy Speaker, Sir, all the benefits that go to VRS beneficiaries also go to ERS employees. Again, hon. Dr. Arvin Boolell spoke on this point. We are only correcting an anomaly which was there in the law with regard to ERS. What is happening, Mr Deputy Speaker, Sir, is if an estate, a miller or a large planter is not the owner of a land and for the purpose of the scheme, they are buying land from somebody else, from another owner, for VRS purpose, they are exempted from duties on the land, the beneficiaries are exempted from registration duty and this was not extended to beneficiaries of VRS. We are only correcting. We are extending what the beneficiaries of VRS are entitled to and we are putting at par beneficiaries of ERS also.

Again, she said that so many employees who have taken retirement under ERS have not benefitted. But there is not a single beneficiary, up to now, who has been given the title deed. It is only now, we are at the stage where we are finalising the title deed, Mr Deputy Speaker, Sir. When we are doing this, this is where we saw the anomaly. This is where we were told that how come the beneficiaries in the VRS are getting exemptions as far as duties and registration fees are concerned, and this is not being extended to those beneficiaries of VRS. This is a simple correction which we are doing, which was not there in the law.

From all the points that I have raised, Mr Deputy Speaker, Sir, it is clear that the debate is not centered on whether we are on the side of the sugar barons, but rather on a national perspective with a view of changing the landscape in the agricultural sector and, as I said, not limited only to the sugar sector, but to the whole agricultural sector.

Mr Deputy Speaker, Sir, in six years 11,000 hectares have moved out from the sugarcane cultivation! They have already moved out. They are lying fallow! In some years to come, these lands plus other land will move out from the agricultural sector *per se* without any demand and without any application for conversion. The fact that it will lie idle for ten

years automatically means it will go out of agriculture and this is what we are trying to stop, Mr Deputy Speaker, Sir.

I must say, Mr Deputy Speaker, Sir, that I was happy to note the positive attitude of the hon. Leader of the Opposition because he clearly stated that he is in agreement with some of the provisions and that some of them are positive. But he asked for certain clarifications on some of the elements and provisions of the Bill. In fact, this shows his understanding of the implication of the amendments that we are bringing today. Let me shed some light on a few of the points which were raised by the Leader of the Opposition.

The first point which he raised was Section 11 of the existing SIE Act which is being amended by clause 3 of the present Bill, on the 1:2 scheme. He said why not keep it for special cases and why are we doing away with the 1:2 scheme as this is being repealed by clause 3. The first point is that Government is losing, as I said earlier, huge amount of revenue in terms of taxes. We had carried out a study to see and it is a huge amount of taxes which is being forgone, Mr Deputy Speaker, Sir. I say it again, the law in relation to land acquisition for public projects has been reinforced so there is the mechanism which is there is place to acquire land for public purpose if same is required. What we have noticed again with experience, Mr Deputy Speaker, Sir, over the years, is that under 1:2 the land that they convert is always prime agricultural land which would have never been given conversion if it was through the normal process of asking for conversion and going through the conversion committee where they have to satisfy all the criteria. So, these are the reasons why we are doing away with the 1:2 scheme.

The second point which he raised was on the issue of whether to extend the definition of agricultural land to food crop and livestock. In fact, we had pondered a lot on this issue and found out that this can have adverse impact on land being put for food crop and livestock because owners will be discouraged to lease their land if this will be the subject matter of conversion, if ever they want to convert the land. In fact, by one of the provisions which is there in the Bill, we are including agricultural morcellement in the definition of agricultural land because we have seen for the past one or two years, agricultural morcellement is becoming a vehicle for speculation. There are so many promoters of agricultural morcellement which is being done as disguised residential morcellement, Mr Deputy Speaker, Sir. Less than ten perches of land in one, two or five acres of total land, with



infrastructure, road and drains, CEB and water connections, road being tarred! This is a disguised way, Mr Deputy Speaker, Sir! And this is what we are trying to stop.

Again, lands which are cultivated with food crop are used for livestock and they are still in the larger context of agricultural land and they are still considered as agricultural land. But it falls under the purview of the Ministry of Housing and Lands and not under the purview of the SIE Act, Mr Deputy Speaker, Sir. On the issue of minimum plot size, again I must put it on record that this only applies to agricultural land and this does not apply to residential land. So, if someone is the owner of a residential land to the extent of 50 perches, half an acre, he can parcel it in whatever dimension he wants to, Mr Deputy Speaker, Sir.

On the question of LPS, a matter which was raised, I must say that since its inception not a single application has been received! Not a single application, Mr Deputy Speaker, Sir! So the committee which was provided for under the law never had the chance to consider any application. What is important under this section and under this clause, Mr Deputy Speaker, Sir, is that we are keeping the exemptions which are provided for strategic projects. We are not doing away with the exemptions which are provided for under this particular section. As far as LPS is concerned, Mr Deputy Speaker, Sir, I must say that our vision is to prevent agricultural land to be used for non-agricultural purpose. Of course, we have to strike a right balance. We have to consider the demand of land for other purposes but then, LPS was in fact going in the opposite direction. We are trying to preserve land from agricultural to non-agricultural use whereas LPS was as if it was encouraging land to go out of agriculture.

On the issue of standard rate of 5.5 million to recoup cost, I must say that this is a very valid suggestion. Ideally, maybe it would have been better if we could have made a zoning system and the value would have been valued on the zone where the land is found. But though this looks good in theory, in practice it is very difficult to come to apply such a formula, Mr Deputy Speaker, Sir, because the dynamism in the market prices – the price for land is very volatile in the market.

There is a huge price differentiation within the same locality, Mr Deputy Speaker, Sir. The price of land in the same street or road, if we are talking of Grand' Baie for example, the price of land there in *Chemin 20 Pieds* is one price. But once you go five minutes away from there, it is another price. So it will be difficult to apply one standard price according to a zoning system.

Again the hon. Leader of the Opposition suggested that imposition of a timeframe for development will affect production of food crop. We should allow them - even if a conversion has been granted to a promoter - to continue to grow food crop until they decide in their own time to develop their land. We have a better solution for this, Mr Deputy Speaker, Sir. We are saying to continue to grow, keep it as agricultural as far and as long as you want, but come for conversion only when you are ready to develop; come for conversion when the time is right and correct for you. It is a better solution to keep the land as agricultural. Why should you convert the land and keep it there for speculation? This is what we are trying to avoid, Mr Deputy Speaker, Sir.

Mr Deputy Speaker, Sir, the debate today is not a partisan debate, it is a national debate. It is a debate on the future of Mauritius, on the future of food security, of food production, of food sufficiency. The debate is a national one; it is not party politics, Mr Deputy Speaker, Sir. What we are doing today, is historic. This is going to reflect for generation to come, they will recognise that, at least, we have taken bold decisions, not for us today but, at least, for future generations. As I have said, the land will remain constant, our consumption might increase. Our demand for land might increase but, land mass will remain the same, Mr Deputy Speaker, Sir.

Once again, with these words, I thank my hon. colleagues from both sides of the House for their interventions. With these words, Mr Deputy Speaker, Sir, I commend the Bill to the House.

*Question put and agreed to.*

*Bill read a second time and committed.*