

MAURITIUS
FOURTH NATIONAL ASSEMBLY
FIRST SESSION

Debate No. 1 of 2009

Sitting of Tuesday 31 March 2009

The Assembly met in the Assembly House, Port Louis at, 11.30 a.m.

The National Anthem was played

(Mr Speaker in the Chair)

**ADMINISTRATION OF OATH -
HON. PRAVIND KUMAR JUGNAUTH**

Hon. Pravind Kumar Jugnauth made and subscribed before the Assembly, the Oath of Allegiance to Affirmation prescribed in Schedule 3 of the Constitution and signed the Roll of Membership.

ANNOUNCEMENTS

E-PARLIAMENT PUBLIC ADDRESS AND DIGITAL RECORDING SYSTEMS

Mr Speaker: Hon. Members, I have the following announcement to make.

You may have noted that major physical changes have taken place in the Chamber.

The National Assembly first met in this Chamber on 21 March 1967 and since then no changes have been made to the furniture and audio system which has lasted for more that forty two years.

In 2005, the Global Centre for ICT in Parliament was launched by the United Nations and the Inter Parliamentary Union and both the United Nations and the IPU had expressed their commitment to seek innovative ways to leverage the efforts of Parliaments and many other stakeholders in the area.

The SADC Parliamentary Forum on its part engaged itself on the same path and held consultations with Member States to achieve the objectives set out by the United Nations and the IPU.

The two main objectives were to make parliamentary documents and information available to the public and to achieve transparency in the work and decisions of Parliaments, thus creating opportunities for greater understanding and dialogue in political developments.

A modern society demands therefore that optimum use is made of all the available tools to open up Parliaments to all stakeholders and to the public in general.

In that context, ICT has become a strategic and vital resource for Parliaments. The challenge is not only to apply new technologies to improve traditional tasks performed by legislative bodies, but to use the full potential of ICT to take legislators and their members well into the 21st Century.

In our Parliament, we have already created a website and integrated in it a Citizens Charter which complements the website content.

At present our website can be accessed to obtain Order Papers, Draft Legislations, notice of Parliamentary Questions, answers to Parliamentary Questions amongst others.

Hon. Members, as a further development of our strategy and effort to enhance the manner in which it has been conducting its business for the past 42 years, the National Assembly has recently embarked on the implementation of the E-Parliament project with a view to taking full advantage of the benefits of ICT. In this regard, the whole computer system, including software has been updated. In the same breath, the National Assembly has acquired new sets of highly sophisticated equipment, particularly servers, UPS, heavy duty photocopiers and a Pre-Press Unit equipped with Mac Pro equipment and QuarkXPress software.

The new system that has just been commissioned, i.e MURF/VIQ, is the latest version that is currently in use in the Parliaments of Australia and Canada.

We have, however, innovated on the system by integrating the voice to text technology. The voice to text technology will automatically transcribe proceedings of the House, including speeches and statements of hon. Members into text, thus eliminating the traditional method in which the proceedings of the House were recorded, namely through manual notes and tape recorders and then transcribed into text. This process was not only protracted but cumbersome and not very cost effective. The Digital Recording System together with the Pre-Press Unit will also allow us to have our Hansard ready within twenty-four hours in the near future.

We are also projecting to publish our Hansard and all other documents produced by the National Assembly in-house. This will necessitate the procurement of additional IT equipment.

Our objective to modernise and replace the system was based on the fact that, firstly, the previous public address system had already outlived its life span and relevant spare parts were no more available; secondly, hon. Members had themselves made complaints on several occasions about the system and, thirdly, to introduce the E-Parliament concept.

Hon. Members may also wish to note that the improvement and innovations that we have initiated will be continued with the implementation very shortly of a Document Management System on a web-based technology. The DMS will give access to all the users, namely the public and parastatal bodies, the private sector and the public at large to have access to our documents.

I would like to place on record my sincere appreciation and thanks to all the staff of the National Assembly, more particularly the Clerk, the Deputy Clerk, the Clerk Assistant and the Systems Analyst for their relentless effort in making this project a success.

I am also thankful to the contractors and the workers who have worked day and night and during weekends for the last three months in order to meet the deadline of the project and to enable us to meet in a totally renovated and new environment.

I thank you for your attention.

OBITUARY - GUNGURUM, MR ROGER GAËTAN

The Ag. Prime Minister (Dr. R. Beebeejaun): Mr Speaker, Sir, it is with deep regret that we have learnt of the death of Mr Roger Gaëtan Gungurum who passed away on 15 February 2009 at the age of 66.

Mr Roger Gaëtan Gungurum was born on 26 May 1942.

Mr Roger Gaëtan Gungurum attended the R.C.A Primary School at Souillac and followed his secondary education at the Presidency College at Rivière des Anguilles.

In 1964, after completing his studies, Mr Roger Gaëtan Gungurum joined the Presidency College as a part-time Art Teacher until 1965 when he left for Nightingale College at Surinam to teach Language and History.

One year later, Mr Roger Gaëtan Gungurum joined the Thanacody College at Souillac to teach Language and Art until he retired in 2002.

Mr Roger Gaëtan Gungurum has during his lifetime played an active role in the Scout Movement. In fact, in 1967, he founded the 34th Scout Group in St. Aubin with the objective of regrouping the youth of the neighbouring localities, namely Union St. Aubin, Souillac and Surinam.

Mr Roger Gaëtan Gungurum became the head of the Scout Movement for the southern region in 1973.

Mr Roger Gaëtan Gungurum started his political career in 1980 as a member of the Verts Fraternel.

In 1983, Mr Roger Gaëtan Gungurum contested the general election under the banner of the Mouvement Socialist Militant and the Labour Party Alliance and was returned as the Third Member for Constituency No. 14 at Savanne and Black River.

In 1987, Mr Roger Gaëtan Gungurum ran again for the general election under the banner of the *Mouvement Militant Mauricien*, the *Mouvement Travailliste Démocrate* and the Front des Travailleurs Socialistes Alliance in Constituency No. 12, Mahebourg and Plaine Magnien, but was not successful.

In 2000, Mr Roger Gaëtan Gungurum was appointed President of the Nelson Mandela Cultural Centre at Port Louis for African culture, post which he occupied until 2003.

Mr Speaker, Sir, may I request you to be kind enough to direct the Clerk of the National Assembly to convey the deep condolences of the House to the bereaved family.

The Leader of the Opposition (Mr P. Bérenger): Mr Speaker, Sir, I join myself to the tribute paid by the hon. Ag. Prime Minister and I also request you to convey to the bereaved family the expression of our condolences.

Mr Speaker: I associate myself to the tribute paid to the late Mr Gungurum by the hon. Ag. Prime Minister and the hon. Leader of the Opposition and I direct the Clerk to convey to the bereaved family the assurance of our sincere condolences.

PAPERS LAID

The Ag. Prime Minister: Sir, the Papers have been laid on the Table –

A. Speaker's Office –

- (a) The Annual Report and Audited Accounts 2007-2008 of the Independent Commission Against Corruption; and
- (b) Certificate from the Chairperson of the Rodrigues Regional Assembly pursuant to Section 75E of the Constitution, in regard to the proposed alteration of sections 2, 33, 42, 43, 44, 45, 50, 52 and 52A of the Rodrigues Regional Assembly Act which clause 20 of The Additional Stimulus Package (Miscellaneous Provisions) Bill (No. I of 2009) proposes to amend.

B. Prime Minister's Office –

- (a) Certificate of Urgency in respect of the following Bills –
 - (i) The Additional Stimulus Package (Miscellaneous Provisions) Bill (No. I of 2009), and

- (ii) The *Centre de Lecture Publique et D'Animation Culturelle Bill* (No. II of 2009).
- (b) The Report of the Director of Audit on the Financial Statements of The Prime Minister's Cyclone Relief Fund for the year ended 30 June 2008 (*In original*).
- (c) The Report of The Prime Minister's Relief and Support Fund for the year ended 30 June 2007.
- (d) The Maritime Zones (EEZ Outer Limit Lines) (Amendment of Schedule) Regulations 2008 (Government Notice No. 282 of 2008).
- (e) The Data Protection Regulations 2009 (Government Notice No. 22 of 2009).
- (f) The National Assembly (Constituency No. 8 – Quartier Militaire and Moka) By Election (Polling District and Polling Stations) Order, 2009 (Government Notice No. 23 of 2009).

C. Ministry of Renewable Energy and Public Utilities –

- (a) The Report of the Director of Audit on the Financial Statements of The National Energy Fund for the period 01 July to 04 August 2008 (*In original*).
- (b) The Annual Report and Accounts of the Central Water Authority for the year 2005 - 2006.
- (c) The Annual Report of the Central Electricity Board for the year 2007.

D. Ministry of Tourism, Leisure & External Communications –

- (a) The Tourism Employees Welfare Fund (Collection of Contribution) (Amendment) Regulations 2009 (Government Notice No. 13 of 2009).
- (b) The Report of the Director of Audit on the Financial Statements of The Mauritius Tourism Promotion Authority for the year ended 30 June 2007 (*In original*).

E. Ministry of Finance and Economic Empowerment –

- (a) The Loan Agreement in respect of the Terre Rouge-Verdun-Ebène Road Project : Phase II between The Republic of Mauritius and The Arab Bank for Economic Development in Africa dated 16 November 2008 (*In original*).

- (b) The Digest of Road Transport and Road Accident Statistics 2007 (Vol. 23).
- (c) The National Accounts of Mauritius 2007 (Vol. 25).
- (d) The Annual Report 2007/2008 of the Lottery Committee (*In original*).
- (e) The Digest of Labour Statistics 2007.
- (f) The Digest of International Travel and Tourism Statistics 2007 (Vol. 34).
- (g) The Digest of Productivity and Competitiveness Statistics 2007 (Vol. 11).
- (h) The Digest of Environment Statistics 2006.
- (i) The Loan Agreement in respect of the Economic Transition Technical Assistance Project between the Republic of Mauritius and the International Bank for Reconstruction and Development (IBRD) (*In original*).
- (j) The Annual Report of the Accountant General and the Accounts of the Republic of Mauritius for the year ended 30 June 2008 (*In original*).
- (k) The Loan Agreement in respect of the Marine and Agricultural Resources Support Programme (MARS) between the Republic of Mauritius and the International Fund for Agricultural Development (IFAD) (*In original*).
- (l) The Stamp Duty (Amendment of Schedule) Regulations 2009 (Government Notice No. 5 of 2009).
- (m) The Registration Duty (Amendment of Schedule) Regulations 2009 (Government Notice No. 6 of 2009).
- (n) The Transcription and Mortgage (Amendment of Schedule) Regulations 2009 (Government Notice No. 7 of 2009).
- (o) The Public Procurement (Amendment) Regulations 2009 (Government Notice No. 8 of 2009).
- (p) The Customs Tariff (Amendment of Schedule) Regulations 2009 (Government Notice No. 9 of 2009).
- (q) The Excise (Amendment of Schedule) Regulations 2009 (Government Notice No. 10 of 2009).
- (r) The Investment Promotion (Real Estate Development Scheme) (Amendment) Regulations 2009 (Government Notice No. 11 of 2009).

- (s) The Excise (Amendment No. 2) Regulations 2008 (Government Notice No. 269 of 2008).
- (t) The Customs Tariff (Amendment of Schedule) (No. 3) Regulations 2008 (Government Notice No. 270 of 2008).
- (u) The Excise (Amendment of Schedule (No. 3)) Regulations 2008 (Government Notice No. 271 of 2008).
- (v) The Continuous Multipurpose Household Survey (Amendment) Regulations 2008 (Government Notice No. 264 of 2008).
- (w) The Registration Duty (Amendment of Schedule No. 2) Regulations 2009 (Government Notice No. 34 of 2009).
- (x) The Digest of Social Security Statistics 2007.
- (y) The Annual Report 2007/2008 of the Mauritius Revenue Authority.

F. Ministry of Public Infrastructure, Land Transport & Shipping –

- (a) The Report of the Director of Audit on the Financial Statements of The Seafarer's Welfare Fund for the years ended 30 June 2004, 30 June 2005, 30 June 2006 and 30 June 2007.
- (b) The Road Traffic (Photographic Enforcement Device) Regulations 2008 (Government Notice No. 281 of 2008).
- (c) The Road Traffic (Speed) (Amendment) Regulations 2009 (Government Notice No. 12 of 2009).
- (d) The Old Moka Road (Urban Road) (End of Public Use) Regulations 2009 (Government Notice No. 30 of 2009).

G. Ministry of Industry, Science & Research –

- (a) The Jewellery (Verification and Grading of Precious and Semi-Precious Stones) Regulations 2009 (Government Notice No.15 of 2009).
- (b) The Jewellery (Assay Mark) Regulations 2009 (Government Notice No.16 of 2009).

H. Ministry of Local Government, Rodrigues and Outer Islands –

- (a) The Rodrigues Regional Assembly (Investment Management) Regulations 2008 (Rodrigues Regional Assembly) (No. 1 of 2009).
- (b) The Rodrigues Regional Assembly (Fisheries and Marine Resources – Marine Protected Areas) Regulations 2009 (Rodrigues Regional Assembly) (No. 2 of 2009).
- (c) The Declaration of Planning Area (Quatre Bornes) Order 2009 (Government Notice No. 35 of 2009).
- (d) The Port Louis (Municipal Market) (Amendment) Regulations (Government Notice No. 19 of 2009).

I. Ministry of Social Security, National Solidarity & Senior Citizens Welfare & Reforms Institutions –

- (a) The Social Aid (Amendment) Regulations 2009 (Government Notice No. 31 of 2009).
- (b) The Social Aid (Amendment of Schedule) Regulations 2008 (Government Notice No. 272 of 2008).
- (c) The Social Aid (Amendment No. 3) Regulations 2008 (Government Notice No. 273 of 2008).
- (d) The Unemployment Hardship Relief (Amendment of Schedule) Regulations 2008 (Government Notice No. 274 of 2008).

J. Ministry of Education, Culture and Human Resources –

- (a) The Annual Reports 2004-2005 and 2005-2006 of the National Art Gallery.
- (b) The Report of the Director of Audit on the Financial Statements of the Mauritius Qualifications Authority for the year ended 30 June 2007 (*In original*).
- (c) The Report of the Director of Audit on the Financial Statements of the Industrial and Vocational Training Board for the year ended 30 June 2007 (*In original*).
- (d) The Report of the Director of Audit on the Financial Statements of the Students Relief Fund for the year ended 30 June 2008.
- (e) The Annual Report 2005-2006 of the Mahatma Gandhi Institute.

- (f) The Annual Reports 2005 and 2006 of the Private Secondary Schools Authority.
- (g) The Annual Reports 2007-2008 of the National Productivity and Competitiveness Council (NPCC).

K. Ministry of Agro Industry, Food Production and Security –

- (a) The Annual Report of the Sugar Investment Trust for the year 2007.
- (b) The Annual Report of the Sugar Investment Trust for the year 2008.
- (c) The Annual Report of the Tea Board for the year 2007.
- (d) The Annual Report of the Rose Belle Sugar Estate Board for the year 2005.

L. Ministry of Information and Communication Technology –

The Annual Report of the National Computer Board for the financial year 2004-2005.

M. Ministry of Consumer Protection and Citizens Charter –

- (a) The Consumer Protection (Control of Imports) (Amendment No. 6) Regulations 2008 (Government Notice No. 265 of 2008).
- (b) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 25) Regulations 2008 (Government Notice No. 266 of 2008).
- (c) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 26) Regulations 2008 (Government Notice No. 267 of 2008).
- (d) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 5) Regulations 2009 (Government Notice No. 32 of 2009).
- (e) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 6) Regulations 2009 (Government Notice No. 33 of 2009).
- (f) The Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 5) Regulations 2008 (Government Notice No. 275 of 2008).

- (g) The Bread (Control of Manufacture and Sale) (Amendment No. 2) Regulations 2008 (Government Notice No. 276 of 2008).
- (h) The Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 6) Regulations 2008 (Government Notice No. 277 of 2008).
- (i) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 27) Regulations 2008 (Government Notice No. 278 of 2008).
- (j) The Rodrigues Consumer Protection (Control of Manufacture and Sale) (Amendment No. 28) Regulations 2008 (Government Notice No. 279 of 2008).
- (k) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 29) Regulations 2008 (Government Notice No. 280 of 2008).
- (l) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 2) Regulations 2009 (Government Notice No. 14 of 2009).
- (m) The Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 2) Regulations 2009 (Government Notice No. 27 of 2009).
- (n) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 4) Regulations 2009 (Government Notice No. 28 of 2009).
- (o) The Consumer Protection (Scrap Metal) (Amendment) Regulations 2009 (Government Notice No. 29 of 2009).
- (p) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 3) Regulations 2009 (Government Notice No. 20 of 2009).

N. Ministry of Labour, Industrial Relations and Employment –

- (a) The Employment (Non-Citizens) (Restriction) Exemptions (Amendment) Regulations 2008 (Government Notice No. 4 of 2009).
- (b) The Employment Rights (Registration of Employers and Permits of Job Contractors) Regulations 2009 (Government Notice No. 24 of 2009).

- (c) The Employment Relations (Trade Union) Regulations 2009 (Government Notice No. 25 of 2009).
- (d) The Employment Relations (Amendment of Schedule) Regulations 2009 (Government Notice No. 26 of 2009).

O. Ministry of Environment and National Development Unit –

- (a) The Environment Protection (Declaration of Environmental Laws) (Amendment) Regulations 2009 (Government Notice No. 17 of 2009).
- (b) The Environment Protection (Amendment of Schedule) Regulations 2009 (Government Notice No. 18 of 2009).

ORAL ANSWERS TO QUESTIONS

EMPLOYMENT RIGHTS ACT 2008 - EMPLOYEES - LAID OFF, UNEMPLOYMENT BENEFIT, ETC.

The Leader of the Opposition (Mr P. Bérenger) (*By Private Notice*) asked the Minister of Labour, Industrial Relations and Employment whether, following the promulgation of the Employment Rights Act 2008, he will state –

- (a) the number of employees who have been laid off, indicating the number of firms concerned;
- (b) the number of employees who have to contribute 1% of their wages, indicating the monthly estimate of the contributions;
- (c) the amount paid as at to date as transitional unemployment benefit, indicating the number of employees receiving same, and
- (d) the number of cases lodged before the Industrial Court.

The Minister of Labour, Industrial Relations & Employment (Mr J. F. Chaumière):
Mr Speaker, Sir, with your permission, I propose, in replying to the PNQ, to reply also to PQ Nos. B/32, B/39, B/66 and B/70 as they relate to the same subject.

Mr Speaker, Sir, as all Members are aware, the new labour laws were adopted by this Assembly in August 2008, at a time when there was no indication that the financial crisis, which had originated in the USA, would reach our shores. Since then, the crisis has reached global proportions.

With our economy heavily reliant on tourism and exports, and therefore on external markets, Mauritius has not been spared of the effects of the global financial crisis, which has translated into a global job crisis as has been highlighted by both IMF and the ILO. According to these international institutions, the global unemployment rate in 2009, in an optimistic scenario, could rise to 6.1% or even up to 6.5% over 2007 figures.

The actual increase in the number of additional people unemployed could range therefore from 18 millions to 30 millions. In a worst case scenario, which may happen if recovery is delayed into 2010, the additional number of unemployed could reach the 50 million figure, of which about 22 millions, unfortunately, would be women. It is public knowledge that over 20 million jobs have already been lost in China and over 10 million in India as a direct consequence of the global crisis.

It is thus fortunate that the Employment Rights Act makes provision for innovative measures such as the Workfare Programme which provides, to some extent, a safety net to those workers in the affected sectors, who would, anyway, have lost their jobs as a consequence of this global financial crisis. Notwithstanding the crisis we are in, I have to draw the attention of the House to the fact that the unemployment rate has been consistently going down since the “astronomic” figure of 9.6% was registered in 2005. According to latest CSO figures, the unemployment rate had gone down to 7.2% at the end 2008.

Mr Speaker, Sir, from the coming into operation of the Employment Rights Act on 02 February 2009 and up to 30 March 2009, 939 workers have been laid off, 237 in the month of February and 702 during the month of March. As I have pointed out already, these job losses cannot be ascribed to the new labour laws, as some may too easily conclude.

Thirty-two firms are concerned with these layoffs. A breakdown sector-wise is as follows

—

- ◆ Tourism - 3 firms with 130 workers laid off.
- ◆ Construction - 2 firms with 27 workers laid off.
- ◆ Distributive Trade - 1 firm with 4 workers laid off.
- ◆ ICT - 2 firms with a total of 64 workers laid off.
- ◆ Non-EPZ Manufacturing - 6 firms with 93 workers laid off.
- ◆ The Manufacturing sector for export - 11 firms with a total of 621 workers laid off.

The House will agree that it is not proper to reveal the names of the firms concerned.

As will be noted from the figures given by me, most of the laid-off workers are from the tourism sector and the export oriented manufacturing sector. This is the confirmation that these

layoffs are a direct consequence of the global economic crisis affecting our main export markets. It is not, in any manner, a consequence of the new labour legislation.

May I draw the attention of the House to the fact that notwithstanding the crisis affecting particularly the tourism and manufacturing sectors, jobs have been created in other sectors. According to CSO figures, we have in 2008 seen the creation of 16,900 new jobs.

As regards part (b) of the PNQ, according to figures obtained from the Ministry of Social Security, 227,000 workers will be called upon to contribute 1% of their basic salary, capped at the NPF ceiling which currently stands at Rs9,435. The monthly total contribution expected to be paid by these workers is estimated at Rs16.4 m.

There is a misunderstanding in some quarters on the use of the 1% contribution of workers. I have to reiterate the fact that this 1% contribution will go to the personal savings account of the worker at the National Savings Fund. The money which will accrue will earn interest and will, if not utilised, be refunded to the worker on his retirement, in addition to all other benefits under the NPS and in addition also to the retirement gratuity that will be payable by his employer according to law. This 1% contribution will be used only for the part funding of 50% of the TUB payable to the worker in the event that he is laid off and joins the Workfare Programme. The other 50%, and also in the event adequate funds are not available in the personal NSF amount of the worker, the difference will be paid from the Workfare Programme Fund.

In reply to part (c) of the PNQ, I am informed that Rs3 m. have been paid as at to date as Transition Unemployment Benefit and 234 workers are in receipt of same.

As regards part (d), my Ministry has so far entered two cases before the industrial Court and another case will be lodged shortly. The two cases already entered in court refer to failure by the employer to afford to the worker an opportunity to answer charges in a case of indiscipline. The third case is in respect of failure to pay salary in time, that is, last working day of the month. This is deemed to be a breach of contract on the part of the employer.

As was the case previously, the Employment Rights Act does allow a worker who is laid off to contest his termination if he is not satisfied with the reason put forward by the employer. The possibility exists in the new law for my Ministry to investigate and, in case a *prima facie* case is established, to institute court action on behalf of the worker and claim severance allowance at the rate of 3 months' remuneration per year of service.

Mr Speaker, Sir, to conclude, allow me to address three specific issues raised in PQ Nos. B/66 and B/70. I wish to inform the House that from August 2008, i.e. since the Employment Rights Act was adopted in the Assembly, up to 30 March 2009, 1,770 workers - but the law was not proclaimed yet - have been laid off. Since proclamation of the Employment Rights Act on 02 February 2009, 101 workers who have been laid off have opted not to join the Workfare Programme and have been paid compensation at rates mutually agreed. I wish also to inform the House that the question of a review of the newly proclaimed Employment Rights Act to amend the procedure relating to layoffs is not envisaged.

Mr Bérenger: In regard to the first part of my question, can I ask the hon. Minister of Labour whether he is satisfied that firms that are laying off employees since the coming into operation of the Employment Rights Act are notifying the Ministry and, if yes, within which delay and, if not, what action is envisaged?

Mr Chaumière: I have to inform the House, Mr Speaker, Sir, that in case of laying off the employers have to send a letter to the Minister, which they are doing actually. As I have said in my answer, when we are not satisfied ourselves, for example, of the fact that employers come with reasons like people have been laid off for misconduct or for poor performance, if they do not give the possibility to the employee to answer charges, we take actions and that is why we have three cases before the Industrial Court.

Mr Bérenger: For my part, I am not saying that the coming into operation of the Employment Rights Act has caused layoffs. It is not the point. The point is that the coming into operation of the new legislation has coincided with the international finance law and economic crisis beginning to hit us hard. Does the Minister not agree that this was the worst possible time to bring the new Employment Rights Act into operation?

Mr Chaumière: Mr Speaker, Sir, I must say that, on one point, the hon. Leader of the Opposition is right, that the legislation coincided with the international financial crisis. He is right. But, I must add as well that, if we didn't have the Workfare Programme in the law today, most of our sisters and brothers in the EPZ sector now would not benefit from anything and this has been proved in the past, Mr Speaker, Sir. You would remember that in the years 2000-2005, Mr Speaker, Sir, 48,000 people were laid off. I am not saying that there should be....

(Interruptions)

Mr Speaker: There is only one Minister of Labour!

Mr Chaumière: 48,000 people were laid off in the EPZ sector and most of the time, Mr Speaker, Sir, workers in the EPZ sector were not covered by the TCSB, then they would go to Court with the help of the Ministry. Hon. Soodhun will be able to confirm....

(Interruptions)

We would go to Court, we would get a judgement in favour of the employees - an academic judgement - but the workers would not cash a single rupee. We have changed that today, Mr Speaker, Sir. Every time that a worker is laid off, he immediately enters into the Workfare Programme.

Mr Bérenger: May I know from the hon. Minister - we read the press, amongst other things, and we know which firms are in difficulty and which firms are laying off - what is the point of refusing to give the names of the firms that have laid off workers? It is not a crime, we want to know what is the point, what is the big secret as we learned that in the press and we should get precise information here.

Mr Chaumière: Mr Speaker, Sir, in some cases, for example, enterprises are being taken over by other people as well. I don't think it is proper for me to come and reveal information for the sake of the employees themselves.

Mr Bérenger: On the second part of my question, we have been informed that the employees are expected to contribute 1%, a total of - if I got it right – Rs16 m. per month. Does the hon. Minister think that it is fair, now that the international financial and economic crisis is hitting us and, at the time when, through the stimulus package, firms are going to receive millions of rupees, in that context to request those 227,000 employees in the private sector to contribute 1%, that is, Rs16 m. per month?

Mr Chaumière: Mr Speaker, Sir, the hon. Leader of the Opposition is referring to the Workfare Programme and I must inform him that the contribution to the Workfare Programme is a tripartite contribution whereby the employee contributes 1%, but the employer also has to contribute and Government also contributes to the Workfare Programme. And we must say that the objective of the Workfare Programme is to encourage mobility of the worker first. And, secondly, Mr Speaker, Sir, it is to allow the employee to be recycled, to allow the employee to get a new job if he so wishes, to allow the worker to be able to have proper training if he so wishes, to be trained and be reskilled, to allow the employee to start a small business with the help of Government, accompanied with the payment of a transition unemployment benefit, Mr Speaker, Sir, which is, for the first three months, 90% of the basic salary of the worker, four months to six months, it is 60% of the basic wage or salary and from the 7th month to 12th month, it is 30% of the basic wage or salary, and in no case the TUB shall be less than Rs3,000. Mr Speaker, Sir, the employer has to contribute as well a recycling fee to the National Saving Funds Account of the worker as follows –

- ◆ Between 12 and 36 months continuous employment: three days' basic wage or salary for every 12 months of continuous employment.
- ◆ Above 36 months up to 120 months continuous employment: six days' basic salary.
- ◆ Above 120 months up 240 months: 10 days' basic wage or salary.
- ◆ More than 240 months: it is 15 days' basic salary.

As I said, sooner, Mr Speaker, Sir, the workers contribution is credited to an account which belongs to the worker. It does not belong to the State, it does not belong to the employer, it belongs to the worker himself. And, if ever there is no accident in his professional career, he is going to get this 1% at the end of his professional career together with interest, Mr Speaker, Sir.

Mr Bérenger: We have been informed, Mr Speaker, Sir, that the employees concerned contribute Rs16 m. every month, and yet to date only Rs3 m. have been paid out as transitional unemployment benefit.

(Interruptions)

Mr Speaker: What is the problem? Is there a problem?

Mr Bérenger: Can I ask the hon. Minister to explain the discrepancy, the difference between the Rs16 m. that comes in every month and the expenditure of only Rs3 m. to date?

Mr Chaumière: Mr Speaker, Sir, one thing we must be sure is that for the time being it is the Government which is contributing to the Workfare Fund after two months that the legislation has been proclaimed.

Mr Bérenger: In the last part of my question, Mr Speaker, Sir, we have been informed that only two cases have been placed before the Industrial Court since the coming into operation of the new legislation and one of them being a case not of dismissal, but non-payment of wages, that is, breach of contract. Will the hon. Minister agree that the reason why there is only finally one case of dismissal brought before the Industrial Court is that the new law prevents workers and their lawyers from bringing cases because economic factors come in, refusal of this or that comes in and, therefore, the workers and their lawyers cannot bring cases through the Labour Office or just cannot do it?

Mr Chaumière: Mr Speaker, Sir, since my coming into this Ministry and even after February, I have cases before the Ministry itself or before the Department of Conciliation and Mediation and we have also tripartite institutions; when both employers and employees at the Commission for Conciliation and Mediation, the Employment Relations Tribunal where representatives of trade unionists and employers sit together. I have to give the assurance to the hon. Leader of the Opposition that every time a worker comes before us and seeks to go before Court, there cannot be anyone who could prevent the worker to go before Court. Mr Speaker, Sir, that there have been so many avenues in the law to give the opportunity to the workers to go before Court and I have to make an appeal to the trade unionists that they have an important role to play within the framework of the law itself. When you look at the Employment Relations Act, Mr Speaker, Sir, when you see the easiness with which a trade union can be registered first, the moment it has got...

Mr Speaker: I am sorry to stop the hon. Minister. I think the hon. Minister is making a statement. I think he has to be specific to the question. What is there in the framework of the law for cases to be reported to the Court?

Mr Chaumière: Mr Speaker, Sir, there are many possibilities. I have just given two cases whereby if the worker feels that he has been unjustly dismissed, he can go to Court, he can go to the Tribunal. There is nothing which prevents the workers from doing so.

Mr Bérenger: Nothing prevents the worker from going, but he will lose because the law provides for the employer to be able to dismiss him for economic reasons, for this and that reason. Now, although I am stressing the fact that it is now very difficult for workers, employees and their lawyers to go before the Industrial Court, nevertheless, on 18 August, the then Minister of Labour, Industrial Relations & Employment said in the House that Government, I quote –

“(...) will set up a fast-track in the Industrial Courts.”

Granted that with one case, a fast-track is not yet needed, but can I ask the on. Minister what detailed arrangements have been made in the Industrial Court for that supposedly fast track to perform?

Mr Chaumière: Mr Speaker, Sir, I think we have to let the Industrial Court work and then we will see. The proof of the pudding is in the eating, Mr Speaker, Sir. Two months only have elapsed since the proclamation of the legislation, Mr Speaker, Sir. Let us see the institutions at work and then we will decide, but I am still consulting, Mr Speaker, Sir. I am still open to suggestions, Mr Speaker, Sir, and I must say if a worker is not satisfied...

(Interruptions)

Mr Speaker: Order! Order, please!

Mr Chaumière: Mr Speaker, Sir, I have always said and I will reiterate it here today that the legislation has been proclaimed since two months. We must see the legislation at work and then we can come with conclusions, Mr Speaker, Sir, not now!

Mr Jugnauth: Will the hon. Minister confirm whether he has made a public statement that some companies are making an abuse of the actual legislation and, if so, on what did the Minister base himself to say so?

Mr Chaumière: I have never said something of that sort, Mr Speaker, Sir. I remember when I was, for example, at the MEF, I have said that there has always been the case - and it is not linked to the law - that some people in certain sectors have not played the game, paid their workers on time. I mean that has always existed, Mr Speaker, Sir.

(Interruptions)

Mr Speaker: I'll have to give the floor to hon. Dulloo first and then to the other Member.

(Interruptions)

Order!

Mr Dulloo: Mr Speaker, Sir, formerly under the previous law, with the existence of the Termination of Contract Service Board, notice should be given to the Minister of the intention of reduction of workforce or closing down of the enterprise altogether. Now, under the new law, there is still provision under section 37 that notice should be given to the Minister where the employer intends to reduce any number of workers or to close down his enterprise for reasons of economic, technological, structural or similar nature. So, once the notice would be given to the Minister, what would happen? This is not clear to the workers. What would the Minister do with that notice because now there is no longer the Termination of Contract of Service Board where a whole mechanism is set into motion with relevant delays and all that?

Mr Chaumière: Mr Speaker, Sir, if the hon. Member is referring to the TCSB, we would remember that, in the past, workers would go in front of the TCSB and then if the findings are in their favour...

(Interruptions)

Mr Speaker: Order!

Mr Chaumière: ...what would the employer do? He would go to the Industrial Court. Then, if there is a judgment in favour of the employee, then he would just process on and make an appeal to the Court, Mr Speaker, Sir.

And you would remember that in a lot of cases, when it comes to payment of the workers, there were no funds available to pay the workers, and now with this Workfare Programme, Mr Speaker, Sir, they are immediately in the Workfare Programme. May I add something, Mr Speaker, Sir? In a modern developing nation, Mr Speaker, Sir, which has to rely mainly on the external world for export and tourism and in this globalised and competitive world we will have to face the music. There is an international financial crisis in the world, Mr Speaker, Sir.

(Interruptions)

And we will have to face the music and there was, therefore, an urgent need to introduce a system of payment to cope with something which will turn out to be recurrent problem, Mr Speaker, Sir.

Mr Ganoo: Mr Speaker, Sir, can I ask the hon. Minister this question? The law, as it is now, has done away with the concept of severance allowance and this concept of severance allowance exists in all countries, even in capitalist countries and this concept of severance allowance should not be in contradiction with the unemployment benefit. In fact, the Convention of the ILO states clearly, Mr Speaker, Sir.

Mr Speaker: The hon. Member should come straight to the question.

Mr Ganoo: My question to the hon. Minister is: can't we reintroduce into our law the TCSB, the concept of severance allowance keeping untouched the unemployment benefit?

Mr Chaumière: Mr Speaker, Sir, shall I come back to the fact that when we talk about severance allowance, we talk about the TCSB? I must reiterate that when the employer did not comply with an order of the TCSB, he had to enter proceedings before the Industrial Court to claim his dues, Mr Speaker, Sir...

(Interruptions)

...and during the last three years, there has only been one case where the TCSB found that the termination was unjustified. Mr Speaker, Sir, the case was referred to the TCSB in 2006 and the employer had applied to the Supreme Court for judicial review and in 2008 only, there was

agreement before the Supreme Court. But let me correct something, Mr Speaker, Sir. Severance allowance is still here for unjustified termination.

Mr Speaker: Hon. Mrs Hanoomanjee! I would like to have short questions and short answers as time is running out.

Mrs Hanoomanjee: Mr Speaker, Sir, the Minister in his reply has stated - and rightly so - that, at the time the legislation was passed, there was no indication of the economic crisis. Now, our colleague on this side of the House, hon. Soodhun, had proposed 28 amendments to the Bill in the interest of workers. Can the Minister state whether in the present context, he doesn't feel that now due consideration should be given to the amendments that we had proposed to the legislation and, as time may, he comes with the appropriate amendments?

(Interruptions)

Mr Speaker: Hon. Minister of Finance, please!

Mr Chaumière: Mr Speaker, Sir, the spirit of the law at this juncture, I am convinced that if we didn't have the Workfare Programme - one of the main sectors which has affected us....

Mr Speaker: The question is a straight question, please!

(Interruptions)

The question is a simple question. There were 28 amendments which were introduced in the House. Will the Minister now, in the context that we are living, reconsider them?

Mr Chaumière: Mr Speaker, Sir, indeed, hon. Soodhun came with so many amendments when the law was debated. But there was a debate and the law was adopted. I do not intend to have a permanent debate on the law. Let us see the law at work and then we will see.

Mr Gunness: Mr Speaker, Sir, I heard the hon. Minister say that 939 workers have been laid off. 234 have benefited from the transitional unemployment benefit. May I know from the Minister what happened to the 705 remaining workers? The hon. Minister has also given a list of firms. Can I know why the workers who have been laid off by SMEs are not included in the list?

Mr Chaumière: Mr Speaker, Sir, when we talk about workers, we talk about SMEs also. I did give a list, Mr Speaker, Sir, of workers who were laid off in each sector. I have to add also that a certain number of workers have been redeployed elsewhere. Some have applied for training and some have opted to set up a small business, Mr Speaker, Sir.

Mr Soodhun: Mr Speaker, Sir, I will be very short as usual. A lot has been said concerning the permanent workers and the Minister will agree with me that today the industries are employing about 122,000 casual workers. I would ask the hon. Minister whether he is now ready to introduce the necessary measures to protect the employment of part-time workers who

are dismissed for justified reasons, but who are excluded from the Workfare Programme and are not entitled for the payment of severance allowance under the present legislation?

Mr Chaumière: I forgot to tell, Mr Speaker, Sir, that among one of the laidoffs was the former hon. Ashock Jugnauth. Mr Speaker, Sir, I must say honestly that I am for a social dialogue. Hon. Soodhun has made a lot of Jsuggestions which have been set aside at the moment. This is democracy.

(Interruptions)

Mr Speaker: I don't understand.

Mr Chaumière: But...

Mr Speaker: I am sorry, I am on my feet!

(Interruptions)

Order! I have said I need short questions. There is a question whether part-time workers, who are not covered by this law, will be reconsidered to cover them. That is all.

Mr Chaumière: Mr Speaker, Sir, the answer is that part-time workers get severance allowance, that is, eight days for year of service. The Workfare Programme is not appropriate here as they may be holding other jobs.

Mr Cuttaree: Mr Speaker, Sir, the hon. Minister said that workers can go to Court. Why is it that if a laid-off employee goes to Court against his employer, he is not entitled to benefit from the Workfare Programme? Is not that a sort of undue pressure being put on the worker to prevent him from taking his employer to Court?

Mr Chaumière: Mr Speaker, Sir, again, the hon. Member has got wrong information. I have said that workers who have been laid off for misconduct, for poor performance can, at the same time, benefit from the Workfare Programme and go to Court, Mr Speaker, Sir.

Mr Bodha: May I ask the hon. Minister whether, in the wake of the protests and the demonstration which we have had in the country with the workers and the trade unions, he can consider the advisability to convene the tripartite meeting to address the concerns of the workers because there has been an acceleration of laying off after the law has been promulgated?

Mr Chaumière: Mr Speaker, Sir, I have made it a point to meet all the trade unions since my coming into that Ministry. I have no problem on that, Mr Speaker, Sir. In fact, I intend to set up a national tripartite forum. The workers, the employers and Government will sit together on that national tripartite forum.

Mr Dulloo: Mr Speaker, Sir, I will come back on the question of severance allowance where the hon. Minister, unfortunately, is wrong because formerly for redundancy or termination of the employment for economic or similar reasons, the workers would be paid wages until the

determination by the Termination of Contract and Service Board. For unjustified dismissal, he would get four months wages and for justified termination of employment, then he would get severance allowance at the normal rate. But the law as it is now, it is for the worker to go and prove that the economic reasons used are not justified. The burden is on him and secondly, he will get only three months, and thirdly, there is no severance allowance at the normal rate whereby the employer will have to pay for justifying his termination of employment.

Mr Chaumière: Mr Speaker, Sir, it is because the hon. Member is reading the law through the prism of the Labour Act. I have said and I maintain that the Workfare Programme is one of the best and it has been said so by the ILO, that it is an innovative mechanism to keep the employer in touch with the world of work, Mr Speaker, Sir.

Mr Jugnauth: We know that one of the declared policies of this Government is to try to protect jobs, but we have also heard from the former Chairperson of the MEF that this is apparently not their priority and in spite of the fact that they are going to benefit from large sums of money, doesn't the Minister think that since the private sector and the Government do not see eye to eye on this issue, this is going to be, in fact, very detrimental to the workers?

Mr Chaumière: Mr Speaker, Sir, I have heard the same thing, but I must say that - and the hon. Minister of Finance has said so as well as the Government and I also am saying so - when it is the choice of the firm to apply for the stimulus package, it is its choice and it has to adhere to the conditions that are contained herein, for the objective of the Government is to protect and preserve jobs in this country.

Mr Dowarkasing: Mr Speaker, Sir, my question is very simple. I want to know from the hon. Minister, besides the list that he has given to this House, is he in presence of any fresh notice for termination of employment?

Mr Chaumière: Mr Speaker, Sir, that is the list that I have submitted.

Mrs Labelle: Mr Speaker, Sir, I think I have heard the hon. Minister mentioning that an employee can benefit from the Workfare Programme and go to Court at the same time. May I ask the Minister whether it is only in cases of misconduct and when structuring the company, it is not the case? Can he confirm that?

Mr Chaumière: Mr Speaker, Sir, I will refer the hon. Member to section 42(3) of the Employment Rights Act whereby if, for example, a worker elects to join the Workfare Programme, he registers himself, but where the agreement of a worker, of a group of workers is terminated, the worker, the group of workers or the trade union recognised by the employer may agree on the quantum and the payment of a compensation. If ever, Mr Speaker, Sir, just to answer to the specific question on these two problems - and I have said it before - if the workers have been laid off on matters of misconduct and poor performance, they might as well go to court and benefit from the Workfare Programme.

Mr Ganoo: May I ask the hon. Minister one question concerning the transition of unemployment benefit, the way it is computed and the philosophy of this benefit? The trade

unions are strongly complaining of the fact that this unemployment benefit is not a right, it is subject to many conditions as spelt out in the law; it is not based on the length of service. It is determined on a uniform basis. Thirdly, it is not paid on the total remuneration of the worker, it is paid only on his basic wage which makes a lot of difference. Finally, a ceiling is imposed, that is, for somebody who has been earning Rs15,000, his unemployment benefit will be calculated on the ceiling of Rs9,400 as per the law. Isn't this a matter that needs review, hon. Minister? And this is what the unions are...

(Interruptions)

Mr Speaker: Will the hon. Minister review?

Mr Chaumière: Mr Speaker, Sir, the recycling fee is based on the length of service. I have already said that. But now, as regards the Rs9,435, this is not the salary, Mr Speaker, Sir. This is a transitional mode of payment to allow the worker, during this passage of one year, where Government will take care of the worker to be given 90% of his salary or 60% and 30%, this is not the salary, Mr Speaker, Sir.

Mr Bodha: Mr Speaker, Sir, will the hon. Minister agree that now that the cost of separation is less than what it was and the labour laws are more flexible, there may be an abuse? In fact, there has been an abuse after the promulgation of the law to accelerate the laying off or to increase the number of workers being laid off by some *ce que j'appellerais des employeurs plutôt zélés et qui profitent de la crise financière pour quelque part diminuer le nombre d'employés*.

Mr Chaumière: Mr Speaker, Sir, as I said before, there have been 939 workers in total who have been laid off and in comparison to that this cannot be compared to what happened from 2000 to 2005.

(Interruptions)

This cannot be compared and I reiterate that there were above 48,000 workers laid off in the EPZ sector.

Mr Lesjongard: Mr Speaker, Sir, can the hon. Minister confirm whether in the sectors he has mentioned where workers have been laid off, specifically the tourism and construction sectors, there were employees on contractual basis also?

Mr Chaumière: Mr Speaker, Sir, I need notice of the question.

Mr Bérenger: Mr Speaker, Sir, on 19 August, in this august Assembly, we had requested *un renvoi des débats*. I understand that now the trade unions have written to the Prime Minister and the Minister of Labour, Industrial Relations and Employment, asking for the new legislation to be suspended. Can I ask the hon. Minister whether he is prepared to convene Government and the Prime Minister that due consideration should be given and a round table called for, as requested by the trade unions, and immediate actions should be taken to reinstate the Termination of Contract of Service Board and to stop the one percent deduction in the context of the international economic crisis now hitting us?

Mr Chaumière: Mr Speaker, Sir, there is a lot of contradiction in what the hon. Leader of the Opposition is saying. They tell me that we should, at the same time, keep the Workfare Programme and not keep it at the same time. Which is which?

(Interruptions)

Mr Speaker: Order! Order, please!

Mr Chaumière: Secondly, Mr Speaker, Sir, we have major challenges looming around.

(Interruptions)

Mr Speaker: Order, Order!

Mr Chaumière: I will quote the hon. Leader of the Opposition himself when once he was stating: « *En deux ans nous avons enregistré 15,000 cas de perte d'emplois dans le secteur de textile.* » And the title is : « *Nous n'avons pas de temps à perdre.* » And I must say in the wake of the international financial crisis we don't have time to lose, Mr Speaker, Sir.

Mr Speaker: Time is over! The Table has been advised that PQ Nos. B/7 and B/23 have been withdrawn. PQ No. B/16, in regard to the political situation in Madagascar, will be replied by Dr. the hon. Minister of Foreign Affairs. PQ No. B/43, in regard to the recruitment at the Airports of Mauritius Company Ltd, will be replied by Dr. the hon. Prime Minister. Questions addressed to the hon. Ag. Prime Minister!

MBC - MR N. P. - CHIEF NEWS EDITOR - ARREST

(No. B/1) Mr P. Jhugroo (Third Member for Port Louis North & Montagne Longue) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to Mr N. P., he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if he was arrested on or about Monday 06 January 2009 and, if so –

(a) the reasons therefor, and

(b) the charges lodged against him, if any.

The Ag. Prime Minister: Mr Speaker, Sir, with your permission I shall reply to PQ Nos. B/1, B/2 and B/4 at the same time as they relate to the same subject.

I am informed by the Commissioner of Police that Mr N. P., Chief News Editor/Desktop Coordinator of the Mauritius Broadcasting Corporation, was arrested by the Central CID on 05 January 2009, on a charge of “Using a Telecommunication Service for the Purpose of Causing Annoyance, Inconvenience and Needless Anxiety to any Person” in breach of section 46 (h) (ii) of the Information and Communication Technologies Act of 2001.

Mr Speaker, Sir, an anonymous call was received at about 20 13 hours on 01 January 2009 by a Police Officer on duty at the Prime Minister's Residence. The caller stated: "*dire Navin Ramgoolam qui mo pas croire dans so speech ditout parcequi line detruire moi*". When the caller was asked about his identity, he replied: "*pas bizin ou conné qui sanla moi nek dire li sa*" and he hanged up.

Any caller using a telecommunication service and causing annoyance, inconvenience and needless anxiety to any person is investigated by the Police. Accordingly, an enquiry was initiated by the Police. It revealed that the call was made from a mobile phone allotted to Mr N. P., by the MBC.

Mr N. P. eventually surrendered to the Police in company of his Bar-at-Law after 14 00 hours on Monday 05 January 2009.

The recording of the statement of Mr N.P. was completed late in the evening on that date. As the Commissioner of Police considered that the nature of the offence committed by Mr N.P. was an arrestable one, Police decided to arrest him and he was detained until he was brought to Court the next day.

On 06 January 2009, a provisional charge for that offence had been lodged against him before the District Court of Curepipe. He was released on bail upon furnishing a surety of Rs10,000 and entering into a recognizance for the sum of Rs100,000 in his own name.

On the 06 January 2009, following a report received from the Commissioner of Police, the Director-General of MBC interdicted Mr N.P. from duty. The Corporation, thereafter, instituted a Disciplinary Committee comprising the Chairperson of the MBC Board, a member of the MBC Board and a representative of the Prime Minister's Office to investigate into the following charges which had been levelled against Mr N. P. –

- (i) unlawfully using the mobile telephone allocated to him by the Mauritius Broadcasting Corporation for uttering disturbing words of such a nature as to cause annoyance, inconvenience and needless anxiety, and
- (ii) communicating to the press without prior authorisation from the employer in breach of MBC Rules and Regulations.

A meeting of the Disciplinary Committee fixed for Friday 27 February 2009 had been postponed as the Attorney of Mr N. P. had lodged an Interim Order for an injunction where parties were called in Chambers by the Judge on 26 February 2009 at 10 00 hours. The case has been postponed to be heard on 12 May 2009.

Mr Bérenger: Mr Speaker, Sir, can I ask the hon. Ag. Prime Minister - he has told us – under what charge supposedly the gentleman was arrested? In the press we read that the Police had arrested him because himself and his lawyer had insulted the Police, denied by the lawyer and by the gentleman concerned. No *mise au point* from the Police! Can I know from the Ag.

Prime Minister whether it was asked from the Commissioner of Police why there was no *mise au point* and why this piece of information was allowed to rest?

The Ag. Prime Minister: Mr Speaker, Sir, I was not in the country for a week and I am not aware of what the hon. Leader of the Opposition is saying. But having said that, I would not rely on anything that the press said all the time.

Mr Gunness: Mr Speaker, Sir, can I ask the Ag. Prime Minister whether it is the first time that Mr N. P. used this phone to phone the Prime Minister or whether he has done it before several times?

The Ag. Prime Minister: I would not know.

Mr Varma: Mr Speaker, Sir, could the hon. Ag. Prime Minister inform the House what is the stage of the Police inquiry?

The Ag. Prime Minister: As I said, it is ongoing; it has been to Court and it is for the Court to decide.

Mr Gunness: The Ag. Prime Minister has said that the gentleman has been interdicted on the charge. Can I know whether there is a *politique of deux poids, deux mesures* at the MBC? Because there is a cameraman, S.B...

Mr Speaker: No, no, the hon. Member cannot refer to cases. He should talk on this case.

Mr Gunness: Because in some cases, damaging property by band, people are still working, a cameraman, and here, in this case, he has been interdicted.

The Ag. Prime Minister: Mr Speaker, Sir, I think it will be unfair for me to make any comment on this question, because there are many other issues which the House may not be aware of and I don't think it is in the interest of anybody to go into all these issues.

MBC - MR N. P. - CHIEF NEWS EDITOR – SUSPENSION

(No. B/2) Mr P. Jhugroo (Third Member for Port Louis North & Montagne Longue) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to Mr N. P., Chief Editor at the Mauritius Broadcasting Corporation, he will, for the benefit of the House, obtain from the Corporation, information as to if he has been suspended and, if so, the reasons therefor.

(Vide reply to PQ No. B/1)

STATE - INDIVIDUALS/COMPANIES - DAMAGES

(No. B/3) Mrs S. Hanoomanjee (Second Member for Savanne & Black River) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to cases in which

the State has been advised that damages be paid to individuals/companies following decisions taken by the Police, he will, for the benefit of the House, obtain from the Commissioner of Police, for the period January 2006 to date, information as to damages proposed to –

(a) the reasons therefor, and

(b) the amount in each case.

The Ag. Prime Minister: Mr Speaker, Sir, with your permission, I am tabling the information requested by the hon. Member.

Mrs Hanoomanjee: Mr Speaker, Sir, in spite of the fact that the information is being tabled, I would like the hon. Ag. Prime Minister to say whether in each of the cases where the court has given its judgment, whether a special inquiry is carried out at the highest level of the Police to go to the root of the problems so that there is no recurrence?

The Ag. Prime Minister: The answer is definitely yes. I think the issues of arresting people where there is no justification had been addressed and is being addressed.

Mrs Hanoomanjee: Mr Speaker, Sir, very often people go to court after they have observed that their complaints have not been satisfactorily attended to. Can the hon. Ag. Prime Minister say where matters stand with regard to the independent body which was to be set up by Government on this issue?

The Ag. Prime Minister: Mr Speaker, Sir, I need notice of this question, but I will ask the Prime Minister to communicate to the House the information requested.

Mr Varma: Mr Speaker, Sir, could the Ag. Prime Minister inform the House in how many cases inquiries have been conducted and, if so, have actions been taken against the Police officers who have acted *ultra vires* or taken wrong decisions?

The Ag. Prime Minister: Mr Speaker, Sir, I only have the information requested. There are 10 cases and I can say out of these 10 cases, around three are unwarranted arrests and there is also questioning in the absence of Counsel, failing to provide information to a company. There are different reasons. It is not only a Police procedure, but there are others as well.

Mr Bodha: May I ask the Ag. Prime Minister what are the criteria which are used to decide on the quantum of damages being paid to each of those cases?

The Ag. Prime Minister: I cannot answer this question, but a quantum is often reached after a lot of discussions between the two parties and they come to a satisfactory conclusion.

Mr Jugnauth: Can I ask the hon. Ag. Prime Minister that in cases where Police have been found to be at fault and damages have been given, in how many cases have there been an inquiry and in how many cases there has been any conclusion to that inquiry at the highest level?

The Ag. Prime Minister: I can assure the House that in each and every case of these misdoings, the Police has a mechanism to follow up and see: (a) that it does not recur, and (b) to take action appropriately with the officers concerned.

Mr Lesjongard: Can the hon. Ag. Prime Minister confirm to the House whether Government has recently received a letter or representation from the wife of late singer Kaya to start a new inquiry into the death of singer Kaya?

The Ag. Prime Minister: I am not aware but, if there is, I will inform the hon. Member eventually.

Mrs Hanoomanjee: The hon. Ag. Prime Minister has just said that inquiries are carried out at the highest level and it is the Police inquiring on the Police. Can we know who forms part of that committee, if ever the Ag. Prime Minister has the information?

The Ag. Prime Minister: I do not have the information, but I know that the Prime Minister has in mind to have a special Police Complaints Unit to look into the complaints against the Police, but I am not aware of the details.

MBC - MR N. P. - CHIEF NEWS EDITOR – ARREST

(No. B/4) Mr G. Guinness (Third Member for Montagne Blanche & GRSE) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to Mr N. P., he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if he was arrested in the month of January 2009 and, if so, indicate –

(a) the reasons therefor, and

(b) the charges lodged against him, if any.

(Vide reply to PQ No. B/1)

LE HOCHET, TERRE ROUGE - MINOR D. H. - ACCIDENT

(No. B/5) Mr G. Lesjongard (Second Member for Port Louis North & Montagne Longue) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the accident which occurred on Wednesday 25 February 2009 at Le Hochet, Terre Rouge, in which minor D. H. was involved, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if an inquiry has been carried out thereto, and, if so, the outcome thereof.

The Ag. Prime Minister: With your permission, I shall reply to PQ Nos. B/5 and B/10 together as they both relate to the same issue. I am informed by the Commissioner of Police that, on 25 February 2009, at around 07 30 hours a road accident occurred at a bus stop at Le Hochet, Terre Rouge, involving a bus operating along Route 21 and one D. H., aged 11 years, student at

London College. It appears that the student fell down and was injured while boarding the bus. She was taken to the SSRN Hospital where she had to undergo a surgery on the same day and her left lower limb had to be amputated.

The case was reported to the Police on the same day. The bus driver and the conductor were arrested in connection with the accident.

On 26 February 2009, both of them appeared before the Pamplémousses District Court and they were provisionally charged of “Involuntary Wounds and Blows by Imprudence”.

The driver was released on bail on the same day upon furnishing a surety of Rs10,000 while the conductor was released on bail upon furnishing a surety of Rs5,000 on 27 February 2009.

Both of them would appear again before the Pamplémousses District Court on 12 May 2009.

The Police inquiry is still under way.

Mr Speaker, Sir, I would like to take this opportunity to convey once again my deepest sympathy to the victim of this tragic accident and to her parents. May I add that Government is providing all possible assistance to Miss Halloomun and her parents. In this regard, the National Solidarity Fund under the aegis of the Ministry of Social Security, National Solidarity and Senior Citizens Welfare & Reform Institutions has provided a financial assistance of Rs25,000 to the family of the student. Action has already been initiated to provide the student with the following additional support –

- (i) the National Council for the Rehabilitation of Disabled Persons has agreed to provide a stipend of Rs500 monthly as from February 2009 up to the year in which the student will complete her SC examinations;
- (ii) provision for especial transport facilities to attend school is being provided as required;
- (iii) the student as well as the accompanying parent will also be eligible for refund of equivalent bus fare to attend school, and
- (iv) bus pass will also be provided to her for travelling on any day at any time, including weekend.

Other assistance such as wheelchair, prosthesis and social/carer’s allowance will be provided depending upon medical recommendation.

Mr Speaker, Sir, further financial assistance is also being considered under the Prime Minister’s Relief Fund. Moreover, the Ministry of Women Rights, Child Development and Family Welfare is providing psychological support to the family and to her and the Ministry of

Education, Culture and Human Resources is looking into the possibility of having the student transferred to a Secondary School nearer to her place of residence should she so wish. This is being discussed with the parents of the student.

Mr Lesjongard: *This is, indeed, a sad case où une fille venant d'une famille ouvrière a vu ses rêves brisés parce qu'elle rêvait de devenir hôtesse de l'air. Je mettrai cela sur le dos du transport gratuit, M. le president. May I ask...*

(Interruptions)

Mr Speaker: Order!

(Interruptions)

Order! Order please! Order! I was expecting a question from the hon. Member.

Mr Lesjongard: Mr Speaker, Sir, may I ask the hon. Ag. Prime Minister why was it that it was only after the family members of that girl and inhabitants of that locality staged a protest in front of the Terre Rouge Police Station that the driver and the bus conductor were arrested?

The Ag. Prime Minister: Mr Speaker, Sir, I will not go into the details of the sad case. What I did learn is that they both went on their own account to the Police Station where it was considered that they were safe. Concerning the remarks of putting it on free transport for the students, I think this is not possible.

(Interruptions)

Mr Speaker: You have made your point, hon. David! Quiet now!

Mr Lesjongard: Mr Speaker, Sir, will the hon. Ag. Prime Minister confirm whether when Police officers went on the site of the accident, the bus was still there?

The Ag. Prime Minister: I cannot provide all the details, but the description of the accident is such that I have reason to believe that the bus was there and the child had been removed.

Mrs Navarre-Marie: Mr Speaker, Sir, is the Ag. Prime Minister aware that it is regular practice for conductors and drivers to leave passengers at the bus stop and refuse to pick them?

Mr Speaker: It does not arise out of this question. Next question!

Mr Lesjongard: One last question, Mr Speaker, Sir. Can the hon. Ag. Prime Minister confirm whether he has information about the number of passengers on that bus?

The Ag. Prime Minister: Sir, I do not have the information whether the bus was full, whether the bus did anything that was untoward, but the NTA is going to inquire as soon as they have any representation.

AIR MAURITIUS LTD. - FINANCIAL SITUATION

(No. B/6) **Mr G. Lesjongard (Second Member for Port Louis North & Montagne Longue)** asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the financial situation of the Air Mauritius Ltd., he will state if he has had meetings with the representatives of the Trade Unions of the Company and, if so, the outcome thereof.

The Ag. Prime Minister: Mr Speaker, Sir, I have been informed by the hon. Prime Minister that he did not meet the representatives of the Trade Unions of Air Mauritius Ltd. as he had already mandated the hon. Vice-Prime Minister, Minister of Tourism, Leisure & External Communications, to look into the matter and report to Government, as appropriate.

I am given to understand that the hon. Vice-Prime Minister, Minister of Tourism, Leisure & External Communications, has had consultations with the stakeholders of Air Mauritius Ltd., including the representatives of the Trade Unions and the Association of Managers. The management on its part is conducting regular meetings with the staff members, as a result of which a number of misunderstandings are being dispelled and relations between Management and the Trade Unions have shown signs of improvement.

Mr Lesjongard: Mr Speaker, Sir, before I put my question, may I draw the attention of the House on a communiqué which was issued...

Mr Speaker: I am sorry. A question is a question. Is the hon. Member standing on a point of order on this issue?

Mr Lesjongard: Yes, Mr Speaker, Sir.

Mr Speaker: What is the point of order?

Mr Lesjongard: The point of order is that a communiqué was issued whereby mention is made of the office of the Vice-Prime Minister, hon. Xavier-Luc Duval. We have voted a piece of legislation in this House...

Mr Speaker: No, I am sorry, this is not a point of order...

(Interruptions)

Order! Let me do my work! This is not a point of order. This is a question which does not necessitate any supplementary question. If the hon. Member has anything to say he can raise the matter at Adjournment time.

Mr Ganoo: Sir, let me put it to the Ag. Prime Minister whether in the course of that meeting, the Vice-Prime Minister....

(Interruptions)

I am talking about the Vice-Prime Minister, hon. X. L. Duval. In the course of the meeting, can the Ag. Prime Minister inform the House whether hon. X. L. Duval gave a guarantee....

Mr Speaker: That question should be addressed to the hon. Vice-Prime Minister. There are opportunities which will come later on and the hon. Member can put the question.

**LISBON SUMMIT 2000 - EUROPEAN UNION
- AFRICA STRATEGIC PLAN OF ACTION**

(No. B/7) Mr M. Dowarkasing (Thrid Member for Curepipe & Midlands) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the 2000 Lisbon Summit, he will state the measures and initiatives taken by Government to implement the European Union-Africa Strategic Plan of Action.

(Withdrawn)

SEXUAL OFFENCES – REPORTED CASES

(No. B/8) Mrs F. Jeewa-Daureeawoo (Third Member for Stanley & Rose Hill) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to sexual offences, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number of reported cases thereof, since March 2008 to date.

The Ag. Prime Minister: Mr Speaker, Sir, I am informed by the Commissioner of Police that, since March 2008 to date, 401 cases of sexual offences have been reported out of which –

- (i) 7 have been classified;
- (ii) 349 are under inquiry;
- (iii) 36 have been sent to the DPP;
- (iv) 8 are pending trial in Court, and
- (v) in one case, the offender has been convicted.

Mrs Jeewa-Daureeawoo: Mr Speaker, Sir, may I know from the Ag. Prime Minister where we are with the Select Committee on Sexual Offences?

Mr Speaker: This question is not admissible.

Mr Varma: Mr Speaker, Sir, can the hon. Ag. Prime Minister inform the House whether the figure is on the increase or decrease compared to other available statistics?

The Ag. Prime Minister: Sir, we have to interpret statistics carefully. The figure has increased and my information is that there is a lot of awareness and women are more willing to come forward with their grievances.

Mrs Martin: Mr Speaker, Sir, may I ask the hon. Ag. Prime Minister whether out of those 401 cases, all the victims have obtained psychological support?

The Ag. Prime Minister: Yes, and I must say that we have a very strong psychological support team at the Ministry of Women's Rights.

Mrs Labelle: Sir, may I ask the hon. Ag. Prime Minister whether he has the information as to the number of cases relating to minors?

The Ag. Prime Minister: For minors under 16, there are 147 cases.

OFFENCES - KNIVES, SABERS AND CUTTERS - REPORTED CASES

(No. B/9) Mrs F. Jeewa-Daureeawoo (Third Member for Stanley & Rose Hill) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to offences in which knives, sabers and cutters have been used, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number of reported cases thereof, since January 2006 to date, indicating if the law will be amended to provide for tougher penalties.

The Ag. Prime Minister: Mr Speaker, Sir, I am informed by the Commissioner of Police that since January 2006 to date, cases of offences in which knives, sabers and cutters were used have been reported as follows –

<u>Year</u>	<u>No. of Cases</u>
2006	486
2007	747
2008	677
January 2009 to date	121

As regards the second part of the question, I wish to refer the hon. Member to the reply to PQ No. B/964 made by the hon. Prime Minister on 29 July 2008. The Prime Minister then stated that he had requested the Attorney-General's Office to review the relevant legislation in order to increase the fine and the term of imprisonment in cases where offenders had been found in possession of an offensive weapon without lawful authority or reasonable excuse.

In this respect, I am informed that the Judicial Provisions Act 2008 which was enacted in December 2008 provided, *inter alia*, for heavier penalties in respect of certain offences, such as –

- (i) for larceny with aggravating circumstances, the term of imprisonment increased from a period between five and fifteen years to a period of up to thirty years;
- (ii) for possession of an offensive weapon while taking part at an unlawful assembly, the fine increased from Rs5,000 to Rs50,000 and the term of imprisonment increased from one year to two years;
- (iii) for rogue and vagabond (which includes being in custody of an offensive weapon), the fine increased from Rs25,000 to Rs100,000 and the term of imprisonment increased from five years to ten years;
- (iv) for sale or offer of offensive instrument in the open, the fine increased from Rs2,000 to Rs25,000 and term of imprisonment increased from one year to ten years, and
- (v) for sale or offer of offensive instrument to a person under 12 years, the fine increased from Rs2,000 to Rs25,000 and term of imprisonment increased from two years to four years.

Mr Varma: Mr Speaker, Sir, could the Ag. Prime Minister inform the House in how many of these cases offensive weapons have been seized by the Police?

The Ag. Prime Minister: Mr Speaker, Sir, I take it that the weapons have been seized for every case where there has been an arrest.

Mr Bodha: Sir, as regards knives and cutters, will the Ag. Prime Minister enlighten the House as to the number of cases where school children or minors are involved?

The Ag. Prime Minister: Unfortunately, I do not have the figures, but the point is taken and I understand there is an increase.

TERRE ROUGE - MINOR D.H. – ACCIDENT

(No. B/10) Mrs F. Jeewa-Daureeawoo (Third Member for Stanley & Rose Hill) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the recent accident which occurred at a bus stop in Terre Rouge, involving one D. H., a college student, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if an inquiry has been carried out thereinto and, if so, indicate the outcome thereof.

(Vide reply to PQ No. B/5)

DOMESTIC VIOLENCE AGAINST WOMEN - REPORTED CASES

(No. B/11) Mrs F. Jeewa-Daureeawoo (Third Member for Stanley & Rose Hill) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to domestic violence against women, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number of reported cases thereof, since January 2008 to date.

The Ag. Prime Minister: Mr Speaker, Sir, I am informed by the Commissioner of Police that since January 2008 to 25 March 2009, the number of cases of domestic violence against women that has been reported to the Police is as follows –

January to December 2008 - 1,933

January 2009 to 25 March 2009 - 406

Total: 2,339 cases for the time being.

Mr Speaker, Sir, in the reply given to PQ No. B/1237 on 04 December 2007, the Prime Minister elaborated on the full range of measures contained in the National Action Plan to combat Domestic Violence launched by the Ministry of Women's Rights, Child Development and Family Welfare in November 2007.

The National Action Plan to combat Domestic Violence spells out the roles and responsibilities of all stakeholders concerned to combat domestic violence and contains five strategic objectives –

- (i) improving legislation on Domestic Violence and strengthening of the Justice System and other agencies response;
- (ii) providing appropriate, accessible, timely, coordinated multi-agency responses and support to all victims and children who need it;
- (iii) sensitise and change attitudes to prevent domestic violence from happening in the first place;
- (iv) promote responsible reporting, advocacy, sensitisation and provision of a forum by media specialists to encourage the community at large to discuss domestic violence, and
- (v) undertake research and studies on domestic violence, strengthen capacity building and set up appropriate mechanisms for monitoring and evaluation of the National Action Plan to Combat Domestic Violence for the promotion of best practices.

I am also informed by the Ministry that 50% of the recommended actions in the Action Plan have already been implemented in 2008 (that is nine of eighteen).

The Ministry of Women's Rights, Child Development and Family Welfare also has ongoing activities and projects with Community Based Organisations, and other partners such as Zero Tolerance Clubs, Pre-Marital Counseling and Marriage Enrichment Programmes.

Mr Speaker, Sir, I am also informed that the Police Family Protection Unit offers a wide range of services to victims of domestic violence such as counseling to victims, as well as

perpetrators; making agency referrals for psychotherapy, legal advice, rehabilitation, social aid etc. Further, Police regularly carries out sensitisation programmes on domestic violence.

Mrs Jeewa-Daureeawoo: Mr Speaker, Sir, from the figure given, may we know from the hon. Ag. Prime Minister how many battered women have lost their lives?

The Ag. Prime Minister: I do not have the figure, but....

Mr Varma: Mr Speaker, Sir, could the hon. Ag. Prime Minister inform the House, as regards the case of domestic violence which has been mentioned, how many cases of protection order were issued?

The Ag. Prime Minister: I do not have the information, but I know that all of them have been told just now that protection orders have been issued.

Mrs Labelle: Mr Speaker, Sir, my question is whether the Ag. Prime Minister has the number of women who were victims of violence while under the protection order?

The Ag. Prime Minister: Yes, I do not have the actual number. The answer is yes. There are cases where, while under Police protection, there have been further violence. Mr Speaker, Sir, I have some figures here which may be of use. For Breach of Protection Order, 418 cases have been reported.

Mrs Dookun-Luchoomun: May I ask the hon. Ag. Prime Minister who has just mentioned that measures have been taken to sensitise people and change attitude, how many of the perpetrators have been subjected to psychological support and have been given some psychological follow-up?

The Ag. Prime Minister: As I said, the objective is to get the perpetrators as well as the victims for psychological support. I think both are very important, otherwise, as I just mentioned, you get recurrences.

Mrs Martin: Mr Speaker, Sir, we know that in several cases mention was made that the perpetrators as well as the victims have to follow psychological courses, but very often the perpetrators themselves do not attend. Is it not time to revise the way that we apprehend this matter especially regarding perpetrators and the follow-up with the psychological courses? If yes, what are the measures that are being envisaged?

The Ag. Prime Minister: I think that has been pointed out. It is a difficult problem. It is a problem of society, a problem of family being involved and I am sure that if there are any suggestions, the Minister will be only too happy to help. I must add, Mr Speaker, Sir, that while I had a visit with a Minister from Australia yesterday, he was praising the Minister of Women's Rights for the care which is being given.

Mr Jhugroo: Can the hon. Ag. Prime Minister confirm whether any case involving Members of the National Assembly has been reported?

The Ag. Prime Minister: I don't think Members of the National Assembly are classified as such.

Mr Speaker: Time is over. The Table has been informed that PQ No. B/22 has been withdrawn. I suspend for one and a half hour.

At 1.10 p.m. the sitting was suspended.

On resuming at 2.40 p.m. with Mr Speaker in the Chair.

Mr Speaker: Questions addressed to hon. Ministers! The Table has been advised that PQ Nos. B/37 and B/85 have been withdrawn.

FINANCIAL SECRETARY - TERMS AND CONDITIONS OF EMPLOYMENT

(No. B/24) Mr P. Jhugroo (Third Member for Port Louis North & Montagne Longue) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether in regard to the Financial Secretary, he will state –

(a) his present terms and conditions of employment, and

(b) the different Boards on which he sits, indicating in each case –

(i) in which capacity, and

(ii) the fees to which he is entitled.

The Vice-Prime Minister, Minister of Finance and Economic Empowerment (Dr. R. Sithanen) : Mr Speaker, Sir, the Financial Secretary is employed on a contract basis. Since he took office only his salary, car benefits and travelling and gratuity have been revised in the wake of the PRB Report as per PRB recommendations. The other terms and conditions have remained the same. These are being tabled.

With respect to (b) (i), he usually sits on Boards in his capacity as Financial Secretary. Insofar as part (b) of the question is concerned, the information is being compiled and will be tabled.

Mr Jhugroo: Can the hon. Vice-Prime Minister confirm whether the Financial Secretary sits on the Board of Air Mauritius?

Dr. Sithanen: Yes, he does.

Mr Jhugroo: Can I ask the hon. Vice-Prime Minister whether the Financial Secretary submits reports of Board meetings of Air Mauritius?

Dr. Sithanen: It has been the practice for the Financial Secretary to sit on so many Boards where Government is the majority shareholder. There is nothing new in that, Mr Speaker, Sir. This applies to Mauritius Telecom and also for the State Bank if my memory serves me right. Usually, his duty in the Company law, Mr Speaker, Sir, is to the company unless there is a major decision where the views of the shareholders are required.

Mr Varma: Mr Speaker, Sir, could the hon. Vice-Prime Minister & Minister of Finance inform the House about the qualifications of the Financial Secretary?

Dr. Sithanen: Mr Speaker, Sir, I do not have his exact qualifications, but let me tell the hon. Member that he is one of the rare Mauritians, who has excellent academic qualifications from two of the best universities in the world. He also has a lot of experience from the World Bank, IMF and EU. I am not sure I have understood exactly what the hon. Member was coming up, but he does not get it right. Nobody gets it right all the time, but I think he is very qualified and he also has a lot of professional expertise.

Mrs Hanoomanjee: Mr Speaker, Sir, can the Vice-Prime Minister confirm whether when Mr Mansoor sits on the Board of Air Mauritius, he does so in his individual capacity or in his capacity as Financial Secretary?

Dr. Sithanen: I am not sure about this. Strictly speaking, when you are appointed, according to the company law you have to represent the interests of the company, but it is abundantly clear that he owes his nomination in his capacity as Financial Secretary just as the Secretary for Cabinet, he is a member of the Board, just as the Attorney-General is a member of the board, just like the PS of the Ministry of Tourism is a member of the Board. Now, where do you draw the fine line between the interest of Government and the interest of the company, obviously it is anybody's guess...

Mr Jhugroo: Mr Speaker, Sir, can I ask the hon. Vice-Prime Minister whether he was aware of the decision of the Board of Air Mauritius to carry out hedging transactions at Air Mauritius?

Dr. Sithanen: The question doesn't arise. But if the hon. Member wants me to give an answer it's no, no, no, no.

Mr Speaker: I think there is a question on hedging at Air Mauritius.

Mr Dulloo: The hon. Minister talks of subtlety, but is he not there to represent the interests of Mauritius, the Government of Mauritius? Because Government has got its stakeholder in Air Mauritius. And, at the same time, is he not the representative of his Ministry?

Dr. Sithanen: Sir, I am sure the hon. Member would know. Once you are appointed, according to the Companies Act, your fiduciary responsibility is to the company.

Mr Speaker: Next question!

Mr Dullo: Is he not also the representative of the shareholders? Because there are shareholders who appoint directors on the Board of Directors? Therefore, he should safeguard the interests of the majority of the minority shareholders he represents.

Dr. Sithanen: I have said very clearly what is the legal position on that, Mr Speaker, Sir.

Mr Speaker: Hon. Soodhun, last question!

Mr Soodhun: Concerning the Financial Secretary, can the hon. Vice-Prime Minister inform the House whether there is any additional power vested in him regarding the package issued to him compared to the former Financial Secretary?

Dr. Sithanen: I don't think that there is any additional power. I think we have to understand the context, Mr Speaker, Sir.

Mr Speaker: The Vice-Prime Minister means to say that he is more efficient.

Dr. Sithanen: No, what I am saying, Mr Speaker, Sir, is that he comes from outside. So, obviously we must have a package. Let me say two things to the House. He gets far less than he was getting outside and, in fact, even here he is getting far less than some people who report to him. I don't want to mention the names of those people who report to him, Mr Speaker, Sir.

Mr Bodha: May I ask the hon. Vice-Prime Minister whether part of the remuneration of the Financial Secretary comes from the World Bank?

Dr. Sithanen: No, in fact to be fair he resigned from the World Bank.

Mr Speaker: Next question!

SURINAM SPORTING CLUB - LAND LEASE

(No. B/25) Mrs S. Hanoomanjee (Second Member for Savanne & Black River) asked the Minister of Housing and Lands whether he will state if he has received a request from the Surinam Sporting Club for the lease of State land to build a club house and, if so, where matters stand.

Dr. Kasenally: Sir, a request has been received from the Surinam Sporting Club since January 2005 for a lease over a plot of State land at Riambel for the construction of a club house.

However, the Club has been occupying the abovementioned plot of State land of an extent of 120 m² for many years and is still occupying same. On the plot of land stands a corrugated iron sheet building which is being used as a club house by members of the Sporting Club.

Consideration is being given to the request. I also wish to point out that my Ministry receives significant numbers of similar requests, and one of the main issues is whether the applicant has got the necessary resources to build and maintain a club house.

Mrs Hanoomanjee: Mr Speaker, Sir, can I just inform the Minister that this club house is found in African town in Surinam which is a deprived area and the president of the club has taken the laudable initiative to group youngsters so that they are not a prey to social ills. Can I just ask the Minister whether he can expedite matters for the Surinam sporting club?

Dr. Kasenally: Mr Speaker Sir, I will bow to the request of the hon. lady and I will do my best to see that their project come to fruition.

RIVIÈRE NOIRE & ST. MARTIN/BEL OMBRE - CEMETERY

(No. B/26) Mrs S. Hanoomanjee (Second Member for Savanne & Black River) asked the Minister of Housing and Lands whether, in regard to the request made to his Ministry for the lease of land to construct a second cemetery in Rivière Noire and St Martin/Bel Ombre, he will state where matters stand.

Dr. Kasenally: Sir, in January 2008, the Black River District Council made a request to my Ministry to identify and allocate a plot of State land in between the region of Tamarin up to Bel Ombre for the creation of a new cemetery.

Two sites were identified, one at La Gaulette and the other one at Coteau Raffin. However, upon consultation with all the stakeholders concerned, these sites were not found to be suitable for the project.

My Ministry is liaising with all stakeholders, including the Black River District Council to identify an appropriate site for the proposed cemetery.

Mr Speaker: Next question!

ADDITIONAL STIMULUS PACKAGE AMOUNT DISBURSED

(No. B/27) Mrs S. Hanoomanjee (Second Member for Savanne & Black River) asked the Vice-Prime Minister, Minister of Finance and Economic empowerment whether, in regard to the Additional Stimulus Package, he will state –

- (a) the amount disbursed as at to date, and
- (b) the conditions applicable for Government interventions.

The Vice-Prime Minister, Minister of Finance & Economic Empowerment (Dr. R. Sithanen): Mr Speaker, Sir, with your permission I shall reply to PQ Nos. B/27, B/35, B/73, B/75 and B/78 as they all relate to the same subject matter.

Mr Speaker, Sir, the G-20 and the IMF have called for Timely, Targeted and Temporary Stimulus Packages. The Additional Stimulus Package is additional to the actions we implemented as far back as May 2008, in the 2008/09 Budget and decisions in October 2008 with respect to –

- (i) the setting-up of six funds;
- (ii) the full payment of the PRB in one instalment;
- (iii) the creation of a contingency of Rs1.8 billion, and
- (iv) the coordinated policy measures with the Monetary Policy Committee of the Bank of Mauritius to ease monetary policy in order to support fiscal stimulus.

The Stimulus Package, Mr Speaker, Sir, consists of seven components –

- ◆ First, it is targeted, flexible and temporary and will be put in place over the two-year period ending 31 December 2010.
- ◆ Second, it purports to save jobs and protect workers by supporting vulnerable businesses to continue operations during the difficult transition. We have entered into a Social Contract with the private sector to ensure that employment protection is given the highest priority whenever firms restructure to meet the crisis. A number of measures are being implemented for Tourism, Textiles/Clothing, Sugar, Construction, Financial Services, Freeport, Seafood and ICT.
- ◆ Third, the National Empowerment Foundation will enhance its efforts on re-skilling, retraining and returning retrenched workers to productive employment.
- ◆ Fourth, Government is providing protection to the population during the period of the international crisis by protecting jobs and purchasing power by ensuring that price decreases are passed on.
- ◆ Fifth, it aims at significantly increasing public sector investment during the two-year period through end December 2010 by fast tracking and front-loading infrastructure projects.
- ◆ Sixth, it deals with bottlenecks to boost private investment and where possible accelerate projects.
- ◆ Seventh, it prepares the country for a quick bounce back once the world economy recovers.

Mr Speaker, Sir, let me make it very clear. Government is supporting the additional stimulus package through five main financing channels –

- (i) tax revenue foregone as a result of the reduction or suspension of around 10 taxes and the easing of cash flow of companies;
- (ii) new investment in public infrastructure to support the building and construction industry *via* the upgrading of the road network, including the Triolet bypass, the Goodlands bypass and adding lanes where necessary. So, the dual carriageway motorway will extend all the way from Mahebourg to Grand' Baie;
- (ii) infrastructure development in local authorities and Rodrigues;
- (iv) infrastructure improvement in health, education, the environment and sports, and
- (v) support to vulnerable sectors to face the challenges of the global recession. This includes burden sharing amongst shareholders, management, creditors and Government to provide additional financial support to sectors like textiles/clothing, manufacturing, SME and Tourism. These could be in terms of technical assistance and grants to SMEs and equity, liquidity, working capital and asset purchase, swap and lease back to companies.

In fact, it is these measures, together with policies implemented earlier, that are helping us to protect jobs in a very difficult global economic environment.

The Rs10.4 billion Additional Stimulus Package, equivalent to about 3.8 per cent of GDP, covers all the 5 interventions, some with immediate impact and others which will take some time to put in place. Together, the package should unlock an extra 1 to 1.5 per cent growth annually over the 24-month period January 2009 through December 2010.

The Package, Mr Speaker, Sir, is only in its third month. Moreover, as with any programme there is a time lag between launching the programme and getting to cruising speed that typically requires about 6 months. That is why we are planning to publish a Progress Report every 6 months on implementation, direct beneficiaries, results and outcomes.

I am pleased to report that our interventions under the Mechanism for Transitional Support have already saved 1,700 jobs at World Knits under the Mauritius Approach. And for every job we save there are other indirect jobs that are also saved for which we do not have an estimate. The Mauritius Approach relies on Bankers and shareholders/managers to come up with a plan in which they finance half of the additional financing with Government covering the other half to protect jobs.

In addition to World Knits, another 10 companies have already submitted applications for assistance. A further 9 companies have contacted the Help Desk at Enterprise Mauritius, but have not yet submitted their applications. These firms, taken together, account for some 5,200

jobs and are collectively seeking additional financing of some Rs800 m. Under the burden sharing rules of the Additional Stimulus Package, shareholders and creditors will need to provide at least half of this amount and it is only the balance that may have to come from Government.

Of the 10 companies, one has been turned down because shareholders and creditors were unable to come up with a viable restructuring plan. Of the remaining 9, a financial restructuring plan has been agreed for a second company and is in process to be formalised shortly. Also, Government has committed to support a plan for yet another company with Rs10 m. to give the time to save jobs by selling the company as a going concern. This approach is necessary as the current shareholders are unwilling to inject fresh capital. If liquidation cannot be avoided, Government is in first position to recover the funds it is committing. The process of review has also been engaged for another 2 companies and should be concluded soon. Two more are at an early stage of consideration and 3 are new applications which will be considered as from next week.

The Mechanism for Transitional Support can and will save jobs, will save viable enterprises that need help to preserve jobs during the transition until the World Economy recovers from the crisis. In the case of World Knits, the shareholders have come up with additional equity of Rs20 m., the banks with fresh financing of Rs40 m. and Government is taking up debentures worth Rs40 m. at 5 per cent interest. Thus, we are not only saving jobs, but also safeguarding taxpayers' interests.

Mr Speaker, Sir, it is not possible to save all firms. The one enterprise that has closed faced structural and none transitional problems related to the crisis. In the absence of a credible restructuring plan from shareholders, the creditors were unwilling to inject fresh capital and Government could not step in. However, to save jobs we are focusing on efforts to redeploy the workers from these firms that may close down due to severe structural problems. A special job fair has been organized specifically for these workers. About 250 workers out of a total of 336 laid off by the enterprise registered. The list of these persons has been submitted to many employers. Follow-up on individual basis is under way by the Ministry of Labour. Officers of the Labour Division also made presentations on the operation of the Workfare Programme to the concerned workers.

As I have just mentioned, the Mauritius Approach, whilst important and having proved its worth already, is only one part of the Additional Stimulus Package.

Mr Speaker, Sir, as I explained earlier, the package includes acceleration of and new investment in public infrastructure, local authorities and Rodrigues. It also contains tax suspensions for the period of the crisis that are designed to save jobs in Tourism, Construction and the Freeport.

In addition, the package provides for investment in Human Resources to relax implementation constraints and accelerates expenditure under the six Funds created last May.

Finally, it supports vulnerable sectors through various instruments of which the Mauritius Approach is one only. In addition, we are implementing programmes to support SMEs and action to support the Seafood Sector.

Enterprise Mauritius has committed Rs144.5 m. to 26 SMEs with three projects already completed. In addition, six project financing schemes have been launched for which 351 applications have been received by the closing date of 25 March. 154 are from textiles enterprises and 197 in other sectors. These are for capacity-building geared to increased competitiveness, resilience and for supporting export orientation and market penetration. SEHDA has also committed Rs122.5 m. for 6 project financing schemes that are already operational and for which 82 applications have been received to date and 14 have been approved for implementation by the National Women Entrepreneurs Council.

Small and medium size enterprises in the tourist sector are also covered by the Additional Stimulus Package, and Government is reviewing submissions for five projects with a total project value of Rs15.9 m.

We have also committed an additional Rs97 m. to market Mauritius as a tourist destination with a focus on consolidating the short haul market and developing new markets from the Middle East.

Taking all the interventions together so far, some Rs3 billion have been committed under the Additional Stimulus Package and around Rs400 m. have been injected into the economy through the four channels I mentioned earlier. In addition, there are works that have started, for which payments have not yet been processed.

The Additional Stimulus Package is also about unlocking private investment. Six projects have been completed under the RES scheme with another three in progress. Concerning the beneficiaries of the Additional Stimulus Package, it is not possible to identify all of them, given the wide range of interventions that touch many sectors of the economy. Some programmes, however, are more focused such as the interventions in support of SMEs and under the Mauritius Approach. As I indicated, we will compile and publish such information every six months, starting at the end of June. We can only provide information on cases which have been completed to avoid adverse market reactions.

Rodrigues is also benefiting from the Additional Stimulus Package. Public investment under the Package explicitly provides for projects in Rodrigues. In the case of the tourism sector, Rodrigues should benefit from the campaigns of the MTPA. SMEs are being supported *via* the National Empowerment Foundation, and they can also apply to Enterprise Mauritius and SEHDA for assistance through the Mechanism for Transitional Support.

First time home buyers are also covered by the Additional Stimulus Package. In fact, all citizens purchasing a house within a project approved by the MRA under the Package are exempted from payment of registration duty.

Mr Speaker, Sir, companies benefiting from Government support should meet several criteria. The company making the request for support must have a viable business plan. There must be burden sharing between commercial banks, the shareholders and Government. There should be a commitment to preserve employment. There can be no dividend payment until all preference shares or debentures held by Government are paid. Government may appoint a representative to the Board where it deems this helpful. There is an obligation for regular reporting to a Committee.

Mr Speaker, Sir, the Additional Stimulus Package is in line with international best practice and, due to careful advanced planning, it has avoided some of the pitfalls reported in the international press in packages across the world. Our early pre-emptive actions have not only preserved employment, but been welcomed by international experts and the markets. As more and more countries need emergency support, our economy continues to perform above the international average. However, Mr Speaker, Sir, vigilance is required, and we need to intervene on a broad front *via* the five instruments across the seven types of intervention that cover substantially all the population. However, although our actions have made Mauritius resilient, Mr Speaker, Sir, caution and continued reforms are necessary, since we are not immune to the ever worsening global crisis.

Mrs Hanoomanjee: Mr Speaker, Sir, regarding direct beneficiaries, can the Minister say whether any Government official has been appointed so far to scrutinise their account?

Dr. Sithanen: Mr Speaker, Sir, the first one is the tax foregone. This applies to everybody who is benefiting from a tax foregone. It can be in terms of tax on land, it can be for hotel, the suspension of special levy and also the suspension of the tax on environment. We will only know this at the end of the period. With respect to the enterprises in the EPZ, this is the one that has been more documented. The way it takes place is that they make an application to Enterprise Mauritius, and then we appoint an independent consultant that helps them prepare a business plan. There are 11 subcommittees that work across sectors. If this subcommittee believes that it is possible to save the job, but the problem is *conjuncturel et non-structurel*, then we bring the banks and the shareholders together and start discussing the details of how we can save it. In some cases, we believe it is possible to do it. For instance, in one case, there was unanimity among all the people taking the decision, and it was not possible to save it. We also have the responsibility not to throw good money after bad money, and this is the way it is proceeding.

Mr Von-Mally: Mr Speaker, Sir, being given that the different taxes on the air tickets between Mauritius and Rodrigues amount to about Rs3,500, is the hon. Vice-Prime Minister contemplating the possibility of removing these taxes in order to boost the tourism industry there?

Dr. Sithanen: Mr Speaker, Sir, we have presented a stimulus package that covers many sectors, and Rodrigues is included in them. Rs50 m. have been earmarked for Rodrigues in the context of development of infrastructure, and also Rs187 m. in the context of food security, Mr Speaker, Sir. If any enterprise in Rodrigues feels that it requires support within the framework of what has been defined, we will accept. Let's implement the package that we have agreed upon,

and if there is need to revisit them - as you know, there are two Budgets this year - we are going to do so.

Mr Lesjongard: Mr Speaker, Sir, may I ask the hon. Vice-Prime Minister whether he could give us the exact amount disbursed under the Manufacturing Adjustment & SME Development Fund which was broadened to include the export of services?

Dr. Sithanen: As I mentioned, there is the case of World Knits. It costed 100 million - 40 million, 40 million and 20 million. There are three cases that have been agreed upon and then I stated how much money has been earmarked under the Manufacturing Fund and also under the SME. I gave the figures of Rs400 m. in total. This also includes the foregone taxes, because these taxes would have been paid on a monthly basis. In fact, I keep telling my officers that a rupee forgone in tax is the same as a rupee spent on a particular project. This also has to be taken into account, because the very objective of the forgone tax is to stimulate the economy to protect jobs.

Mr Dowarkasing: Mr Speaker, Sir, may I know from the hon. Vice-Prime Minister whether SMEs are direct beneficiaries or whether they will have to be financed by a consortium of banks after a plan has been put up by Enterprise Mauritius? If this is the case, why is there this inequality in terms of addressing the problem of SMEs and big companies?

Dr. Sithanen: Mr Speaker, Sir, this is because there is no one size that fits all. The problem of SMEs that relies on the domestic market, that needs to go on the regional market is very different from the enterprise exporting to the UK, where it has suffered a double blow. Demand has fallen considerably in UK compared to France, and they have taken a big hit on the currency. That's why - I explained that to many people - there cannot be one size that fits all. Even in tourism, the French market is resisting much better than others. We cannot have an umbrella solution for everybody. In the case of SMEs, there are two sets of solutions. One of them is that we are giving them grant - 'cadeau' - for enhancing the technology for market penetration. For instance, we are going to support those who want to penetrate the regional market in terms of airfare, of market access. So, we cannot treat the problem of one SME that is facing problem domestically and wants to move to the region to one that would benefit under AGOA and wants to export to the US. This is the difficulty that we are facing, namely that there is no one size that fits all. We need to tailor the solution to the specific problem encountered by these enterprises.

Mr Dulloo: Mr Speaker, Sir, the hon. Vice-Prime Minister should know that one of the direct impacts of the current financial crisis is on trade finance, especially Mauritius being export-oriented, a trading nation. He has announced the measures. But what about the line of credit and trade guarantees for those who are already in production? To support them, and give new technologies is a good thing. But, currently, with regard to financial and banking institutions, what sort of line of credits and trade guarantees are being given to those concerned?

Dr. Sithanen: Mr Speaker, Sir, the hon. Member is right, as far as the big G-20 countries are concerned. There has been a drying up of trade finance.

In the case of Mauritius, we are fortunate that our banking sector is well capitalised, well regulated and well supervised; and the result of that is that in the balance sheet they have not been infected by the toxic assets. Having said that, there are some that are facing difficulties and that is why I just indicated in response to the question by hon. Dowarkasing that there is provision for all liquidity support to some of these enterprises. I got a firm order, but I have a trade finance problem. What I'm saying is that, Mr Speaker, Sir, we provide equity, we can provide the debenture, we can provide swap of assets and we can also provide a trade *financier*. But it seems to me, Mr Speaker, Sir, from the information that we have every week, I have not seen many companies that are facing trade finance even though if the situation deteriorates some of our line of credits in our commercial banks used to get from foreign banks may be affected.

Mr Guimbeau: Mr Speaker, Sir, did the hon. Vice-Prime Minister say he was going to give the names of the companies which have benefited or will benefit from the package?

Dr. Sithanen: That is what I've said. I indicated in my reply, Mr Speaker, Sir, that we are only three months in this process and we are going to submit its report to Parliament on a six monthly basis giving the details of where it is possible. In some cases it will not be possible. For those who are benefiting from taxation - it's everybody - the suspension of the environmental tax would benefit everybody. The suspension of the special levy will benefit everybody. The suspension of land registration will benefit everybody that meets the threshold of Rs15 m. in a development project that is purported to support the construction sector. So, wherever it is possible we will do it.

Mr Ganoo: Will the Vice-Prime Prime Minister inform the House whether Air Mauritius has benefited from the package and, if so, to what extent?

Dr. Sithanen: Not from the Stimulus Package itself, Mr Speaker, Sir. However, let me be very fair, some of the money for Air Mauritius may have to come from the Contingency that we have provided for in the Budget. That is what the Contingency is for. But up to now what we have done for Air Mauritius - I am sure my colleague will give the answer later on - is to give guarantees to those people who are supporting Air Mauritius.

Mr Dowarkasing: Mr Speaker, Sir, the hon. Vice-Prime Minister would concur with me that one of the components of this Additional Stimulus Package is that special purpose vehicle. Can we know from him whether Government will acquire shares in some of the enterprises? Can we know in which companies so far this has been put into practice?

Dr. Sithanen: Mr Speaker, Sir, as I mentioned, there are many types of intervention. One of them is equity and it is going to be straightforward. Government itself is not going to intervene and we are going to do it through the SIC which is the investment arm of Government. The second one is debenture. Debenture also can be done by the SIC. The reason for that special purpose vehicle, Mr Speaker, Sir, is that there are some enterprises that are asset rich, but cash poor, and it seems to me that it is not fair to put *l'argent du peuple* when we can convert their asset into cash. I said it very clearly that it is not the purpose of Government to take the assets of these people. This is not our business. However, what we are suggesting is that we are going to quote a special purpose vehicle that will buy their assets and lease it back to them and, after a

period of time, they can buy back the assets at a price that is going to be agreed upon. This is the specific purpose of the vehicle that is being created in order to buy their assets in case of a company that is asset rich, but cash poor. There are some of them that are very asset rich and cash poor.

Mr Dullo: We will have certainly ample opportunities to debate all this next week, but at this point in time, I would like to draw the attention of the hon. Vice-Prime Minister and question him on this regarding direct support to production. This seems to be one of the weaknesses because there is, of course, the topic on food security, that is, giving support to the food production sector. I mean direct support to production is one way of trying to negotiate this crisis of production for the local market as well as those small and medium enterprises that have found niche market even to the United States to give them support for direct support to production.

Dr Sithanen: As I said, Mr Speaker, Sir, the platform that we have created is multifunctional and I don't know what the hon. Member means exactly by direct support. Our objective, Mr Speaker, Sir, is to try our best to save the maximum number of jobs. It may not be possible to save all the jobs, but this is basically the objective of Government and we are making some headway.

Mr Dullo: Mr Speaker, Sir, when the Vice-Prime Minister presented the package he mentioned that commercial banks will be providing additional facilities worth, at least, 500 millions under the manufacturing adjustment and SME development. Can we know whether there has been any disbursement of those facilities to those SMEs?

Dr. Sithanen: It was a very tricky negotiation, Mr Speaker, Sir, because in many cases we don't have one commercial bank, but many commercial banks. And if one of these commercial banks is a foreign one, it becomes more difficult because what is happening now is that most of the decisions are being taken in the headquarters. We have to discuss with all the participants to reach a code of conduct - if you understand what I mean - for them to intervene. World Knits was a case and we agreed and, in fact, a commercial bank has supported it to the tune of Rs14 m. and we are under the process of negotiating with other commercial banks to rescue the firm that I have just mentioned in my original reply.

Mr Nancy: Mr Speaker, Sir, sometimes the procedures to have access to these measures in Rodrigues are very complicated. Could the hon. Vice-Prime Minister and Minister of Finance make it more flexible in Rodrigues so that SMEs and other sectors may have access to them and sometimes the information about the measures in the package are not quite clear?

Dr. Sithanen: The point is well taken and we are doing our best for the various institutions, Enterprise Mauritius, SEDHA in order to inform people about the possibility that exists. But I have another responsibility also, Mr Speaker, Sir, and this is very clear. This is becoming very clear; in Europe also there has been a big fight this morning ahead of the G-20 meeting between President Sarkozy and President Obama. Basically this is public money and I have to make sure that this public money - and it is not my money - is well utilised. We have to make sure that the money is used for the purpose which it is intended. There are some people

who come to see us and say: "Look, give money, give money, give money". We cannot do that also, we have to strike a fair balance between accountability, use of the money and genuinely saving jobs that can be saved during a painful and transition period.

Mrs Hanoomanjee: Mr Speaker, Sir, maybe I can have some clarification from the hon. Vice-Prime Minister. I don't know whether I well understood the mechanism when he talked about the liquidity support. Can I ask him whether, in these cases, there is any specific condition which is imposed on the direct beneficiaries who refund after the situation would have improved? Since it is public money, can I know whether there is any mechanism for them to refund?

Dr. Sithanen: Mr Speaker, Sir, this is a very fair question. We spent out time every week trying to make an informed judgment. I can tell the hon. Member that it is the first time that we are doing this in this country. They present a plan, this is public money, they go for it and when they do so, there is a risk that probably they may not save it. We hope that we are going to save it. Secondly, Mr Speaker, Sir, we don't know how long the recession will last, we do not know how deep it is going to be. Maybe Rs100 m. is good for one year, maybe if it is more than one year, they may need additional stimulus. Now we put some conditions. The first thing that we do, Mr Speaker, Sir, is to have an independent report to evaluate whether the company has long-term viability, whether it is structurally sound and then we try to help them. Let me make it very clear. In some cases we are probably going to lose some money. But if you don't do anything, you are criticised, you do something and there is a risk also that there will be some abuse in the system. Up to now, I think the conditions are being respected, for instance we've said that if they turn around the company, they cannot declare any dividend to themselves before they pay Government its money. We are not telling them that they should not, because I think some people in business have misinterpreted what I have said and what the Prime Minister and my colleague, hon. Dr. Boolell, have said. We did not tell them that they cannot get rid of people, but what we have told them that if they are benefiting from public funds, they have to talk to us before they lay off people. We realize that there is nobody in the world who can prevent the laying off of people. My colleague said this morning that 26 million people have lost jobs in China. Only in the month of February, 540,000 people have lost jobs in America. We are trying our best. So, that's why there appears to be some contradiction as hon. Jugnauth said this morning. We are not saying that they cannot lay off people, but what we are saying is that if a company gets support from Government - it has a responsibility to talk to Government - before it makes a decision we should sit together. If it is possible to save these jobs, we will save them.

Mr Dowarkasing: Mr Speaker, Sir, despite all the measures that have been announced by the hon. Vice-Prime Minister and saving of a lot of jobs, the Governor of the Bank of Mauritius has a different view. He is saying that we need, at this stage, another Stimulus Package. Can we know from the hon. Minister whether this is the situation actually?

Dr. Sithanen: Mr Speaker, Sir, there are two things. What has happened until December 2008 - and I think this is exceptionally positive - the growth figure will be higher than what we estimated. And the reason for this is very simple because we have generated more jobs than I said to this House. We were expecting to create 10,800 jobs in 2008, Mr Speaker, Sir. In fact, the final figure is out. We have created 16,900 jobs in 2008. So, as a result of this, it seems to me

that the rate of growth will be slightly higher than 5.2. However, for this year, the downside risk to the economy has aggravated and it is very clear that the next projection will show a lower growth rate than previously initiated. Today, before I came here, I was reading the expected debate on G-20. Today, the OECD released a new forecast. Two months ago, they said that growth in OECD would be -0.4%, today it is -3.6%. The Prime Minister of Singapore gave a press conference two weeks ago. He said that Singapore will experience a recession of -10% this year. So, things are deteriorating. Now, if it continues to deteriorate, because we are integrated in the global economy, it will have impact on tourism, on textile, on clothing, on global business and on FDI. Let me be very candid to the House. If we have a combination of all these three together, a sharp decline in tourism, a drastic fall in textile and a huge decrease in FDI, we are in for a rough ride. And this is what I have called the black swan phenomenon. For the moment, we are resisting. I have just checked the figures for the first two months. We are doing slightly better than we projected. The projection was worse for some sectors. But for the economy, in general, it is very clear that the next forecast will be lower than 4%.

MAURITIUS TELECOM - TRADE UNIONISTS - REINSTATEMENT

(No. B/28) Mr G. Gunness (Third Member for Montagne Blanche & GRSE) asked the Minister of Labour, Industrial Relations and Employment whether in regard to the two Trade Unionists of the Mauritius Telecom who were dismissed, he will, for the benefit of the House, obtain from the Mauritius Telecom, information as to if they have now been re-instated and, if not, why not.

Mr Chaumière: Mr Speaker, Sir, as PQ Nos. B/28, B/40 and B/64 relate to the same issue, I wish, with your permission, to reply to them at the same time.

Mr Speaker, Sir, the House will recall that in a reply to PQ Nos. B/1247 and B/1269 in November last year, I informed the House that I personally intervened with the Mauritius Telecom for the reinstatement of the two trade unionists, but Mauritius Telecom was not agreeable.

A Ministerial Committee was subsequently set up to look into the matter. The Committee assigned Professor Torul, President of the Commission for Conciliation and Mediation, the task of carrying out conciliation meetings between the parties with a view to finding modalities for the reinstatement of the two dismissed trade unionists.

Professor Torul came up with four proposals. The Ministerial Committee considered these proposals and came to the conclusion that the reinstatement of the two trade unionists should be unconditional. Cabinet approved the recommendation of the Ministerial Committee to that effect on Thursday last and has instructed that the Government representatives on the Board of Mauritius Telecom should implement the decision.

Mr Varma: Mr Speaker, Sir, could the hon. Minister inform the House when did Professor Torul come up with his recommendations?

Mr Chaumière: Mr Speaker, Sir, I don't have this information with me, but it was about two weeks ago.

Mr Bérenger: Can I ask the hon. Minister whether he can let us know why did it take so long for Cabinet to take a stand?

Mr Chaumière: Mr Speaker, Sir, as I mentioned, Cabinet did put it on the Ministry to try to find out whether we could bring positions between Mauritius Telecom and the trade unionists together, Mr Speaker, Sir. That's why we had long protracted discussions, but, at the end of the day, Mr Speaker, Sir, we had to come out with a decision. That's why the Ministerial Committee was appointed and when the Ministerial Committee was in presence of the proposals of Professor Torul, we decided upon.

Mr Bodha: Mr Speaker, Sir, may I ask the hon. Minister whether he is aware that now that the Government has taken a stand that it will take another month before the representatives of Government on the Board will be able to take that stand because the Board is supposed to meet at the end of April? Can he confirm that date?

Mr Chaumière: We have done our part of the job, Mr Speaker, Sir. I have heard the same thing, but I cannot pre-empt and say that it is going to be like that, Mr Speaker, Sir. I mean, those Government representatives will convey the message to the Board, then we'll see.

Mr Guinness: Mr Speaker, Sir, I come back with the same question. Can I know whether the Minister has conveyed the message to MT that Cabinet has taken the decision and whether MT has replied to the Ministry about when the Board will meet and when these two workers will resume duty?

Mr Chaumière: Mr Speaker, Sir, the hon. Member has been a Minister himself and knows quite well that when there is a decision which has been taken, it has to be implemented. In that case - and I must be very forceful on that - we have taken the right decision and it is up for the MT now to implement this decision.

Mr Ganoo: Mr Speaker, Sir, I have with me a communiqué of a Cabinet meeting decision which was held on 12 September last year. I then took the decision "to ask the Minister of Labour, Industrial Relations and Employment to see that at the level of the Conciliation and Mediation Division, that his Ministry ensures that international conventions to which Mauritius has adhered are respected." Indeed this is clearly a Human Rights issue, Mr Speaker, Sir. We all want that this ping-pong game to be put to an end ! Can the hon. Minister make sure because, this is what is being alleged, that there are five Members on Government side on the Board against their four French counterparts and, in all the past meetings, only four Government representatives have been attending the Board meeting? Can he make sure, therefore, that at the next Board meeting which, unfortunately, will be held at the end of this month - as Mr Sarat Lallah told us on the radio yesterday - that all the Members representing the Mauritian Government should be present and follow the line and implement the decision of Government?

Mr Chaumière: Mr Speaker, Sir, the hon. Member knows quite well that Mauritius Telecom is a company and that it has got shareholders, it has got a Board and one of the shareholders is France Telecom. So, it is up to them to take the decision.

(Interruptions)

Mr Speaker, Sir, at our end, Cabinet has already taken the decision that it had to. Now, the decision is at the level of the Board of Mauritius Telecom.

Mr Speaker: Hon. Soodhun, last question!

Mr Soodhun: Mr Speaker, Sir, since Cabinet decision has already been taken in favour of the two trade unionists and this has already been communicated to the Board, can we know from the hon. Minister whether they are going to receive one month salary?

Mr Chaumière: Mr Speaker, Sir, when I was talking about unconditional reinstatement, it is unconditional reinstatement.

Mr Ganoo: Mr Speaker, Sir, the hon. Minister talks about unconditional reinstatement and it is the right thing to do and we congratulate the Minister for that. But why is it that Mr Ragoonath was forced to give up the struggle and apparently coerced to say that he wanted to reintegrate even on certain conditions, that is, reintegrate on a new basis? This is what was announced! How did the hon. Minister allow this?

Mr Chaumière: Mr Speaker, Sir, we have taken the right decision. We cannot go back on whatever has happened before.

Mr Speaker: I think we have had enough discussion on this issue. Next question, hon. Guinness!

PETROLEUM PRODUCTS - HEDGING

(No. B/29) Mr G. Guinness (Third Member for Montagne Blanche & GRSE) asked the Minister of Business, Enterprise and Cooperatives whether, in regard to the hedging transactions on petroleum products carried out by the State Trading Corporation, he will for the benefit of the House, obtain from the Corporation, information as to –

- (i) the total amount of loss incurred as at to date;
- (ii) the provision for hedging losses included in the price structure of petroleum products, and
- (iii) the total amount of hedging losses being passed on to customers on a monthly basis and table copy of the contract agreement between the Mangalore Petroleum Products and the State Trading Corporation.

Mr Gowreessoo: Mr Speaker, Sir, I am informed that the State Trading Corporation has taken hedging commitment in hedging transactions since October 2004 following approval of the then Government obtained in November 2002.

In regard to part (a) (i) of the question, the total amount paid to counter parties from October 2004 to date stands at Rs2.9 billion.

In regard to part (a) (ii) of the question, the provision for hedging included in the price structure of petroleum products (Mogas and Gas Oil) as per Regulations was –

- (i) 10 cents per litre included under STC expenses from April 2004;
- (ii) Rs1.50 per litre included under provision for hedging from January 2008 to 31 October 2008;
- (iii) Rs3 per litre as from November 2008 to date.

In regard to part (a) (iii) of the question, the total amount of hedging losses being levied on customers under the item ‘Gain/Loss’ on Hedging as per Regulations is as follows –

Year	Rs (Million)
December 2008	115.5
January 2009	74.0
February 2009	Nil

In regard to part (b) of the question, it would not be ethical to reveal the details of an agreement reached between two State-owned enterprises. In fact, since the creation of the STC, a commercial contract entered by the latter has never been made public.

However, I am prepared to allow any Member of the House to take cognizance of the contents of the contract at the seat of the STC upon mutual arrangement as to date and time.

Mr Guinness: Mr Speaker, Sir, the Minister himself said that, in the first quarter, it was Rs1.50 up to the third quarter, and now it is Rs3 per litre for hedging losses. Can I know from the Minister why has this figure doubled in October and December?

Mr Gowreessoo: Mr Speaker, Sir, at that time, there was fluctuation in the price of petroleum products and in forex.

Mr Ganoo: Mr Speaker, Sir, in reply to a previous PQ, the hon. Minister stated that the hedging commitment at the STC was taken without the Board’s approval. The Board’s approval was obtained *ex post facto* and even the Ministry of Finance was also not in the know. Doesn’t

the Minister think that, in the future, the Board should be made aware of the important hedging exercises or even the Ministry of Finance should be consulted?

Mr Gowreesoo: Mr Speaker, Sir, this is a regular practice since 2004, and there is an officer from the Ministry of Finance who is on the Board.

Mr Varma: Mr Speaker, Sir, will the hon. Minister agree that there is a serious governance issue in this case? The decision was taken and then the Board was made aware of that decision. Could he inform the House whether it is envisaged to review that way of proceeding at the STC?

Mr Gowreesoo: That is why, Mr Speaker, Sir, I have reviewed this system and have dismantled the Hedging Committee. Now, we have set up an inquiry regarding the hedging transactions. Let me inform the House that we have asked advice from Mr Dobson, a hedging consultant. He is making recommendations, and we will have the report in two weeks.

Mr Bérenger: The hon. Minister has just talked about an inquiry, and I take it that a thorough inquiry is being carried out on the losses in hedging. Before, profits were being made through hedging, and this time it's massive losses. Can we know who is carrying out this inquiry?

Mr Gowreesoo: Mr Speaker, Sir, the Ministry has set up an inquiry regarding the losses through hedging. There is only one case where we have lost so much money, Mr Speaker, Sir, and that is why we have appointed Mr John Dobson to inquire.

Mr Guinness: Can the hon. Minister confirm that, from January 2008 to December 2008, the consumers for Mogas and gas oil had already paid Rs700 m. to the State for the hedging losses?

Mr Gowreesoo: Mr Speaker, Sir, I don't have the figures, but it is a normal practice.

Mr Jugnauth: Mr Speaker, Sir, I have just heard the Minister say that he has dismantled the Hedging Committee. Is there any other institution or anybody looking into that matter?

Mr Gowreesoo: Mr Speaker, Sir, as I explained to the House, at that time, there was a decrease in the price of petroleum products and that is why we have lost such a big amount on this hedging transaction. That is why the Hedging Committee has been dismantled. Later, when the price will increase, we will come with a new system to set up this Hedging Committee.

Mr Bodha: Mr Speaker, Sir, may I ask a three-barrelled question to the hon. Minister? First of all, what is the duration of the present hedging contract? Second, what is the amount of losses which has been contemplated during that contract and, third, I would like to know whether the STC envisaged the possibility to review the hedging contract as has been the case for Air Mauritius?

Mr Gowressoo: Regarding the contract, Mr Speaker, Sir, for Mogas, it has already been paid and for gas oil we have up to June 2009 to pay. But, Mr Speaker, Sir, I cannot say the exact amount of losses that we can make, because the price fluctuates.

Mr Guinness: Mr Speaker, Sir, can the hon. Minister again confirm, while reaching the basic value of the petroleum products, that, apart from the hedging losses, there is Rs2.38 for net interest paid for the month of November 2008?

Mr Gowressoo: Mr Speaker, Sir, I will have to check.

Mr Bodha: Mr Speaker, Sir, the contribution per litre for the customer for the hedging fee has been Rs3 lately. Is there a possibility that the Rs3 could be increased for the next exercise?

Mr Gowressoo: No, Mr Speaker, Sir, it's a provision.

AIR MAURITIUS LTD - CONTINGENCY FUND - BAILING OUT

(No. B/30) Mr G. Lesjongard (Second Member for Port Louis North & Montagne Longue) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the bailing out operation of the Air Mauritius Ltd., he will state –

- (a) the amount of money disbursed by Government, and
- (b) if the Support Plan has exceeded the provision under the contingencies and reserves and, if so, since when.

The Vice-Prime Minister, Minister of Tourism, Leisure & External Communications (Mr X. L. Duval): Mr Speaker Sir, with your permission, I shall reply to this question as well as to PQ No. B/38 addressed to the Vice-Prime Minister & Minister of Finance and PQ No. B/63 altogether, as they relate to the same issues.

Mr Speaker, Sir, the House would appreciate that Air Mauritius is not only a company incorporated under the Companies Act but is also a listed company quoted on the Mauritius Stock Exchange. As such, it is subject to the provisions of the Companies Act as well as to the regulations of the Stock Exchange, in particular Listing Rule 11.3 which requires that all sensitive information liable to affect the share price should be given in priority to the Stock Exchange. This is further supported by section 87 of the Securities Act. It is against this background, therefore, Mr Speaker, Sir, that I will provide information within the limits imposed by law.

Mr, Speaker, Sir, I am informed that –

- ◆ Government has issued a guarantee of USD 135 million to the hedge counter parties and to the bankers of Air Mauritius. Government has also agreed to issue shortly a further guarantee to the tune of EUR 35 million.

- ◆ The House should note that no cash and no funds have been disbursed by Government to or in favour of Air Mauritius.

Therefore, part (b) of both PQ Nos. B/30 and B/38, does not arise.

Mr Speaker, Sir, I am further informed by Air Mauritius that the figures for the realised losses incurred by the company on its hedging contracts for the nine months ended 31 December 2008 amounted to EUR 20.5 million. This information is as disclosed to the Stock Exchange on 12 January 2009. I am unfortunately unable to update this information as at 15 March, as requested, as it is not legally in order.

As regards the unrealised losses on unexpired hedging contracts maturing up to August 2010, and once again as disclosed by the company's unaudited accounts published in mid-February and based on the fuel price as at 31 December 2008, the projected unrealised loss is estimated at EUR 136.6 million.

As regards collaterals, I wish to inform the House that the company has posted a total sum of EUR 117.9 million as collaterals to hedge counterparties in various forms up to end December 2008.

Mr Speaker, Sir, I am further informed by Air Mauritius that the accounts to end of March are under preparation and are expected to be released by June at the latest.

Mr Speaker, Sir, I would like to inform the House that Air Mauritius has appointed Lazard *Frères*, a well-known investment bank, to assist the company to restructure its hedging contracts.

SUMMER TIME - ENERGY CONSUMPTION

(No. B/31) Mr G. Lesjongard (Second Member for Port Louis North & Montagne Longue) asked the Deputy Prime Minister, Minister of Renewable Energy and Public Utilities whether, in regard to summer time, he will, for the benefit of the House, obtain from the Central Electricity Board, information as to the decrease as at to date in –

- (a) the maximum demand for energy, and
- (b) the energy consumption in respect of -
 - (i) the consumers;
 - (ii) the commercial consumers, and
 - (iii) the industrial consumers.

The Ag. Prime Minister: Mr Speaker, Sir, with your permission I will reply to PQ Nos. B/31, B/45 and B/84 together.

As I informed the House in my previous replies on this subject, summer time was introduced on a pilot basis for a period of five months from Sunday 26 October 2008 to Sunday 29 March 2009.

A working group, comprising representatives of my Ministry, the Ministry of Finance and Economic Empowerment, the Central Electricity Board, the Joint Economic Council, the *Maurice Ile Durable* Fund, the Mauritius Employers Federation and the Mauritius Chamber of Agriculture, was set up to oversee the implementation process.

The summer time has just ended on last Sunday, and I would like to take this opportunity to thank the Mauritian population, the Civil Service and private sector organisation for their cooperation during this pilot project.

The working group met yesterday, and is carrying out an analysis for the impact of summer time not only on energy consumption but also on the major sectors of the economy. Though we have some preliminary but incomplete data from the CEB, we have to be very cautious in our analysis, given that there are many variables involved. Thus, I should point out that the CEB's evaluation of energy consumption and peak time demand would be based on comparative data before and after the summer time period. CEB is, therefore, monitoring the situation to assess a change in energy consumption after summer time. The Mauritius Research Council is equally carrying out a survey of the social impact of summer time.

A comprehensive report will be submitted to Government shortly. I propose to inform the House of the outcome of the pilot project through a statement in due course.

Mr Lesjongard: Mr Speaker, Sir, can the hon. Ag. Prime Minister tell us what has been the maximum demand recorded by the CEB, at least during the past six months?

The Ag. Prime Minister: Mr Speaker, Sir, I have just made it quite clear, and I have replied to the hon. Member on different occasions on this issue. He has asked a question on summer time. There are other variables as well, and we have to remove the effect of summer time and the effect of bulbs and other issues. We have just to be cautious and to look at the projections that we have made. It is too easy to quote figures. But, in the end, we have to be responsible and give figures that we can rely upon.

Mr Lesjongard: Mr Speaker, Sir, can I ask the hon. Ag. Prime Minister what is the mechanism that the Central Electricity Board has put into place to differentiate between those consumptions, that is, consumption from the domestic point of view, the commercial point of view and the industrial point of view?

The Ag. Prime Minister: I have stated that in my reply.

Mr Dulloo: It is true that we should not just go by figures. We should consider the impact that this has had on the life of people. This time change is the only change that Government could bring about, but which has caused untold miseries to the people. And I believe the hon. Ag. Prime Minister knows with what relief the re-establishment of normal time

has been welcomed by the population at large. Therefore, will he seriously consider repealing this legislation once and for all?

The Ag. Prime Minister: Mr Speaker, Sir, I go along with some of the statements that have been made. As I said, we started on a pilot project. It came to the House and it was a decision of five months. At some time, there was a request as to whether we could shorten it, and it was considered inadvisable in view of the commitments we have with other nations. We cannot change things week after week. There would have been more changes if we had decided to shorten it. So, let us not prejudge. I will come to the House, and I will say, month by month, what has been the effect, whether it has been beneficial or not. I know there are lots of feelings about it, especially the last two months, February and March. I will go along with that. But, at least, let's look at it dispassionately. We have gone through this exercise; we have been subjected to this sort of experience. So, let's be honest about it. I am not on the defensive. I am not going to defend the CEB, I am not going to defend anything. We will be honest, and we will come with the facts and take decisions accordingly.

Mr Jhugroo: Mr Speaker, Sir, can the hon. Ag. Prime Minister confirm whether the summer time will be carried on this year?

Mr Speaker: No, the question has been answered! Next question, hon. Mrs Labelle!

EMPLOYMENT RIGHTS ACT 2008 - EMPLOYEES - LAID OFF

(No. B/32) Mrs F. Labelle (Third Member for Vacoas & Floreal) asked the Minister of Labour, Industrial Relations and Employment whether, following the promulgation of the Employment Rights Act 2008, he will state the number of employees who have been laid off, in each sector.

(Vide reply to PNQ)

SECONDARY SCHOOLS - TIMETABLE

(No. B/33) Mrs F. Labelle (Third Member for Vacoas & Floreal) asked the Minister of Education, Culture and Human Resources whether, in regard to the secondary schools, he will state if a general timetable has been communicated thereto and, if so –

(a) since when, and

(b) table copy thereof.

Dr. Bunwaree: Mr Speaker, Sir, it has never been the practice for my Ministry to issue or communicate timetables to schools. In fact, each school has to work out its own timetable subject to the guidelines and parameters set by my Ministry. In this respect, my Ministry has already communicated broad guidelines to the State Secondary Schools. I am informed that the PSSA has done the same for the grant-aided private secondary schools.

Mr Speaker, Sir, the question makes mention of a general timetable. I don't know what is meant by this. I am prepared to table the guidelines that have been set.

Mrs Labelle: Mr Speaker, Sir, I was referring to a master timetable where the main subjects are included, and I wanted to ask the hon. Minister whether the proposed extra-curricular activities have been included in this master timetable sent to schools. The hon. Minister has also mentioned that the PSSA has sent the guidelines, and I would like to know when.

Dr. Bunwaree: The guidelines were sent on 02 March, Mr Speaker, Sir, and I am going to table them. In fact, the activities period which takes care of the extra-curricular activities are mentioned in there.

Mrs Labelle: Mr Speaker, Sir, may I know from the hon. Minister whether it is the general practice for the PSSA to send these guidelines at the beginning of March?

Dr. Bunwaree: We had a special problem this year because of the activities period that was introduced in January, and the extended school hours till 3 o'clock afternoon that had to be brought back to 2.30 hours while we maintained the activities period.

Mr Gunness: Mr Speaker, Sir, at a point in time, the PSSA was planning to ask schools to have staff meetings on a fortnight basis at two o'clock on a uniform basis. Can I know whether this is still on or whether the PSSA has already back-pedalled on that?

Dr. Bunwaree: Mr Speaker, Sir, the guidelines that have been sent, in fact, mentioned that it has to take place once every fortnight. But, there is flexibility for the schools to organise, to choose the days, and so on.

TEACHERS - PRE-VOCATIONAL SECTOR - CONTRACTS

(No. B/34) Mrs F. Labelle (Third Member for Vacoas & Floreal) asked the Minister of Education, Culture and Human Resources whether, in regard to the teachers working on a contractual basis in the Pre-Vocational sector, he will state the number thereof, indicating the average number of years of service reckoned by each of them.

Dr. Bunwaree: Mr Speaker, Sir, my Ministry is resorting to the services of 49 supply teachers in the prevocational sector. These teachers have been enlisted on a temporary basis since January 2004 to palliate shortages pending recruitment in the grade of teacher (Secondary Pre-Vocational).

Supply teachers are, however, not employed *per se* on a contract basis but are employed on a temporary basis as and when required during the academic year. It is a recurrent feature of my Ministry to have recourse to supply teachers as a contingency measure to address the problem of shortage in scarcity areas, and also to replace educators (Secondary) proceeding on sick leave, maternity leave, long vacation leave, study leave and leave without pay.

I also wish to inform the House that vacancies in the grade of teacher (Secondary Pre-Vocational) are being reported to the Public Service Commission. This has been a long outstanding issue which has taken time to regularise in view of the creation of the posts on the establishment of my Ministry, the prescription of the scheme of service, and particularly the *Mise en Demeure* served by the Technical School Management Trust Fund Employees' Union to the Public Service Commission and my Ministry in July 2005 as they were not agreeable to the scheme of service.

The case has been set aside in October 2007 following which the PSC proceeded with the filling of 70 vacancies in the grade of Teacher (Secondary Pre-Vocational) in 2008 under the first intake note of the scheme of service, i.e appointment of the Technical School Management Trust Fund employees. The remaining vacancies will now be filled from among candidates outside the service.

Mrs Labelle: The hon. Minister has mentioned that there are 49 supply teachers working in the Pre-Vocational sector. May I know from him whether these teachers who are actually working have been working since 2004?

Dr. Bunwaree: According to my information, yes, Mr Speaker, Sir.

Mrs Labelle: Mr Speaker, Sir, the pre-vocational sector is a difficult one. Does the hon. Minister think that keeping nearly 50 teachers in this uncertainty will help them to carry out their work? Since the four years, at the end of the year, they are being said there is no job. In January, they are called to work and this uncertainty creates anxiety. Will this help them to carry out their work?

Dr. Bunwaree: I understand the anxiety of the hon. Member which is also mine. But, as I have explained, Mr Speaker, Sir, we are respectful of institutions as well and there has been a case that was lodged in court, we have to wait when it is finished; there was also ontestation of the scheme of service. But, as I have said, now we are proceeding with the appointment of the teachers.

ADDITIONAL STIMULUS PACKAGE - MONEY DISBURSED

(No. B/35) Mr M. Dowarkasing (Third Member for Curepipe & Midlands) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the Additional Stimulus Package, he will state the amount of money disbursed, indicating the name of the beneficiaries thereof.

(Vide reply to PQ No. B/27)

COASTAL EROSION - REPORT - BAIRD AND ASSOCIATES REPORT

(No. B/36) Mr M. Dowarkasing (Third Member for Curepipe & Midlands) asked the Minister of Environment and National Development Unit whether, in regard to coastal erosion,

he will state if he has taken cognizance of a report thereon submitted by the Baird and Associates in 2003 and, if so, indicate the measures taken as at to date.

Mr Bundhoo: Mr Speaker, Sir, the Baird and Associates Report submitted on ‘Study on Coastal Erosion in Mauritius’ recommends, among others –

- (a) implementation of a beach/lagoon/reef restoration plan;
- (b) monitoring of the coastal systems;
- (c) need to regulate the opening and closure of passes;
- (d) address over-fishing and destructive fishing practices;
- (e) establish more marine protected areas, and
- (f) implement policy on setback for construction of hard structures.

My Ministry chairs an Implementation Committee with inter-sectoral stakeholders to follow up on these recommendations. So far, the following has been implemented –

- (a) restoration at Petit Sable and Bambous Virieux by the placement of a sloping permeable rock revetment over some one km;
- (b) restoration at Rivière des Galets comprising renewal of gabions and the construction of an inland wall over some 450 mts have been completed in the year 2008;
- (c) restoration of the Flic-en-Flac beach through restriction of vehicular access and reprofiling of the beach with and monitoring;
- (d) restoration at Belle Mare public beach through the reprofiling of the beach slope and continuous monitoring, and
- (e) the gradual removal of hard structures within the dynamic beach zone including groins and concrete jetties and walls at Pointe d’Esnay.

Furthermore, with the collaboration of the Beach Authority, the following have been implemented –

- (a) restoration at Pointe aux Sables, and
- (b) restoration at Trou aux Biches.

Mr Speaker, Sir, my Ministry conducts continuous monitoring and assessment of the status of coastal erosion around Mauritius. On the basis of the findings, coastal protection works are devised and implemented in consultation with relevant stakeholders.

I also wish to inform the House that specific provisions have been made in my Ministry's budget for 2008-2009 for the preservation and rehabilitation of beaches. Work will continue to be carried out in line of the Baird and Associates Report as well as on the basis of new observations.

Mr Dowarkasing: Mr Speaker, Sir, may I know from the hon. Minister that among one of the recommendations of that report is the creation of a sand bank and even places like Sudan Bank in the north of the island was proposed for the sucking of sand to create a sand bank so that we can replenish those beaches affected by erosion.

(Interruptions)

Mr Speaker: Order! Order now!

Mr Bundhoo: Mr Speaker, Sir, unfortunately, there is no blood donation at the moment. With regard to the sand bank, on an *ad hoc* basis, for example, at the Caroline Hotel, we did use sand available near Caroline Hotel to replenish part of the beach next to Caroline Hotel. As and when required, we do build up a bank to replenish where it is required and, in particular, the Grand Bay one which I thought the hon. Member mentioned. These projects are, at the moment, ongoing in order to - if I can use the word - refurbish the part with regard to Grand Bay with the collaboration of the SPDC.

Mr Dowarkasing: Mr Speaker, Sir, my second question relates to the other recommendations of that report which is the installation of breakwaters. May I know whether the Ministry is going ahead with this project, if not, may we know the reasons why?

Mr Bundhoo: From the report that I have, Mr Speaker, Sir, some have been done, but they are not giving the required results and we are reviewing them.

Mr Varma: Mr Speaker, Sir, the hon. Minister has spoken about works which have been undertaken following coastal erosion. Could the hon. Minister inform the House what are the preventive measures that are being undertaken to prevent coastal erosion?

Mr Bundhoo: This is exactly what had been done over the last five years to prevent it.

Mr Guinness: Mr Speaker, Sir, I heard the hon. Minister saying that one of the recommendations of the report is to remove concrete buildings on the beaches. Can I know from the hon. Minister how he reconciles the fact that, last year, on the public beach of Trou d'Eau Douce, tuck shops have been constructed in concrete, and how does he reconcile this with the statement that he made?

Mr Bundhoo: Mr Speaker, Sir, can I assure the hon. Member, that among the recommendations I read, no mention was made about the removing of concrete building, but nonetheless, whenever there is any concrete building which has been erected on a public beach, it has to be dealt with by the Beach Authority.

Mr Dowarkasing: The other concern of the report was also the state of our coral reefs which are about 80% in the red zone. Can we know from the hon. Minister what are the concrete measures that have been taken up by his Ministry in relation to this problem?

Mr Bundhoo: Mr Speaker, Sir, I have to thank the hon. Member for drawing the attention of the House and the population at large also. What is happening to our coral reef is due to over-fishing activities, to men's activities and also to the change in climate with regard to the sea temperature.

But quite unfortunately other than sensitising the population and reversing all the activities that are affecting the coral reef, there is nothing much we can do. But, nonetheless, we have already organised a sensitising campaign with regard to all stakeholders in order to prevent any further degradations of our coral reef and, at the same time, implementing measures trying to revert it.

Mr Varma: Mr Speaker, Sir, can the hon. Minister inform the House whether the recommendations of the Baird Report have been transmitted to local authorities so that these are taken into consideration when development permits are being granted?

Mr Bundhoo: I have to assure the hon. Member that, yes, this is the case and that particularly all hotels which are now going to be provided with an EIA are requested by law to have a setback from the high water marks of at least 30 metres from the high water marks.

ALIMONY - NON-COMPLIANCE - COMPLAINTS

(No. B/37) Mr M. Dowarkasing (Third Member for Curepipe & Midlands) asked the Attorney-General whether he will state if he has received complaints from the public, especially mothers, for non-compliance with arrangements in respect of alimony and, if so, indicate the measures he proposes to take.

(Withdrawn)

AIR MAURITIUS LTD - RESCUE PLAN - MONEY DISBURSED

(No. B/38) Mrs F. Labelle (Third Member for Vacoas & Floreal) asked the Vice-Prime Minister, Minister of Finance & Economic Empowerment whether, in regard to the rescue plan of the Air Mauritius Ltd., he will state the amount of money –

- (i) given as guarantee, and
- (ii) disbursed in favour of the company.

(Vide reply to PQ No. B/30)

EMPLOYMENT RIGHTS ACT 2008 - EMPLOYEES - LAID OFF

(No. B/39) Mr G. Gunness (Third Member for Montagne Blanche & GRSE) asked the Minister of Labour, Industrial Relations and Employment whether he will state the number of employees who have been laid off since the promulgation of the Employment Rights Act 2008.

(Vide reply to PNQ)

MAURITIUS TELECOM - TRADE UNIONISTS - RE-INSTATEMENT

(No. B/40) Mr M. Allet (Second Member for Beau Bassin & Petite Rivière) asked the Minister of Labour, Industrial Relations and Employment whether, in regard to Mr R. R. and Mr. I. C., two trade unionists of the Mauritius Telecom who were dismissed, he will, for the benefit of the House, obtain from the Telecom, information as to if they have been re-instated and, if not, why not.

(Vide reply to PQ No. B/28)

CARGO HANDLING CORPORATION – RECRUITMENT

(No. B/41) Mr M. Allet (Second Member for Beau Bassin & Petite Rivière) asked the Vice-Prime Minister, Minister of Tourism, Leisure and External Communications whether, in regard to the recruitment of the staff members and manual workers at the Cargo Handling Corporation, since July 2005 to date, he will, for the benefit of the House, obtain from the Corporation, information as to the number thereof, indicating –

- (a) their names, addresses and respective postings, and
- (b) if the posts were advertised and, if so, when, in each case.

The Vice-Prime Minister, Minister of Tourism, Leisure and External Communications (Mr X. L. Duval): Mr Speaker, Sir, with your permission, I wish to refer the hon. Member to the replies I made to PQ Nos. B/738 and B/1062, which relate to the same issue.

Mr Speaker, Sir, I would like to reiterate that the Cargo Handling Corporation Ltd is a Limited Company incorporated under the Companies Act.

As such, the responsibility for the recruitment of employees and other staff is vested in its Board of Directors. I am, therefore, not in a position to provide the information required at parts (a) and (b) of the question nor to answer to any supplementary question thereon.

Mr Allet: M. le président, les renseignements que j'ai reçus de la *Cargo Handling* est que ce n'est pas la direction de la *Cargo Handling* qui embauche les travailleurs du port mais bien le ministre de tutelle. Pouvez-vous le confirmer ou pas?

Mr X. L. Duval: Mr Speaker, Sir, I don't know whether the hon. Member is looking for any job, but I assure him that I cannot help him.

MAURITIUS PORT AUTHORITY - RECRUITMENT

(No. B/42) Mr M. Allet (Second Member for Beau Bassin & Petite Rivière) asked the Vice-Prime Minister, Minister of Tourism, Leisure and External Communications whether, in regard to the recruitment of the staff members and manual workers at the Mauritius Port Authority since July 2005 to date, he will, for the benefit of the House, obtain from the Authority, information as to the number thereof, indicating –

- (a) their names, addresses and respective posting, and
- (b) if the posts were advertised and, if so, when, in each case.

The Vice-Prime Minister, Minister of Tourism, Leisure and External Communications (Mr X. L. Duval): Mr Speaker Sir, in my replies in the House to PQ Nos. B/737 and B/1062, I had the opportunity to explain in an elaborate manner the established policy of the Mauritius Port Authority regarding the recruitment of employees. I am informed by the MPA that there has been no change in that policy as yet. Furthermore, the information at parts (a) and (b) of the question is being compiled and will be placed in the Library of the National Assembly.

Mr Allet: M. le président, pourrais-je savoir quelles sont les qualifications requises pour être embauché à la *Mauritius Port Authority*?

Mr X. L. Duval: I think everybody will know, Mr Speaker, Sir, that it depends on what post you are looking for. If you're looking for a post of handyman, that is one, accountant is another one, Director is another one. It's different qualifications.

Mr Lesjongard: Mr Speaker, Sir, may I ask the hon. Vice-Prime Minister how many manual workers have been employed on a contractual basis at the Mauritius Port Authority?

Mr X. L. Duval: I would wait, Mr Speaker, Sir, for the information to be tabled. We are not going to do like the previous Government and never table it. We have tabled it before; we will table it again, and that information will be there. I don't know if any has been, but if there have been, they will be on that sheet.

(PQ No. B/43 - See "Written Answers to Questions")

CWA - WATER LOSS

(No. B/44) Mr S. Dayal (Second Member for Quartier Militaire & Moka) asked the Deputy Prime Minister, Minister of Renewable Energy & Public Utilities whether, in regard to potable water, he is aware of the difficulties being faced by the public due to the faulty water reticulation system and, if so, will he –

- (a) for the benefit of the House, obtain from the Central Water Authority, information as to the percentage of water loss in the distribution system, and
- (b) state the remedial measures that have been or are being taken.

The Ag. Prime Minister: Mr Speaker, Sir, I refer the hon. Member to the reply made to PQ Nos. B/440 and B/1167 of 2008. Difficulties of providing potable water arise not only from defective reticulation systems but also due to other factors such as limited capacity of treatment plants and service reservoirs, clogging of filters, increase demand due to new residential and commercial settlement, and dry season.

The water distribution in Mauritius covers 99% of the population. However, 25% or thereabouts of pipes are old, some dating back to more than 100 years which, apart from leakages, burst frequently with the Mare-aux-Vacoas and Port Louis systems are the worse affected.

Various baseline estimates of non-revenue water and its various components have been made over the years and the latest estimate for leakage is around 37%. This estimate was determined by consultant Severn Trent Water International which has also produced an Action Plan to address the non-revenue water problem. Based on the report of STWI, the CWA is implementing the non-revenue water project in an integrated manner in six distribution zones comprising some 30 localities which cover about 15% of CWA customers. The work been undertaken by the CWA is not limited to repair of leaks but also includes replacement of meters, detection of illegal connections, disconnection of supplies for non-payment of water charges and the monitoring of water production and distribution in each zone. This pilot phase will be completed in December 2009 following which phase II of the non-revenue water project will be implemented island-wide.

The House may wish to note that under phase II of the project, it is envisaged to undertake a major programme for replacement of old pipes and meters, construction and repairs of service reservoirs and other associated works. These works would be implemented under the supervision of a private sector operator to be appointed under a Performance Based Management Services contract. In this regard, I wish to inform the House that the pre-qualification document for the appointment of the private sector operator will be issued shortly.

Mr Dayal: Mr Speaker Sir, can I ask the Ag. Prime Minister whether he is aware that potable water provided to the following regions of my Constituency, namely Vuillemin, Valetta, Quartier Militaire, Dagotiere, L'Avenir and Nouvelle Decouverte among other regions, Alma itself, is carried by an asbestos pipe over a distance of 9 kms from the reservoir of Camp Fouquereaux to the reservoir of Alma, which is hazardous to the health? Therefore, can I ask the Ag. Prime Minister whether he will direct the CWA to have the asbestos pipe replaced forthwith, as he is empowered to do so under section 6 of the Central Water Authority Act in the matter of public interest - and this is of course a matter of public interest - as it is a hazard to public health?

The Ag. Prime Minister: Mr Speaker, Sir, how can I not be aware of this problem when the Member himself has raised it so many times? I would not try to minimize the problem of asbestos, but asbestos has been with us for many, many years and, in reply to previous questions, we have pointed that it is not a health hazard in the water system. I want to reassure the population, unless we get new data on this, which I don't have. Having said that, there are extensive works to be done in the region mentioned. We have already planned the

implementation; we are waiting for allocation of budget in that sense. I thank the hon. Member for pointing it out, and I think it is one of the urgent problems that we have to address.

Mr Dayal: May I press on the hon. Ag. Prime Minister to place it high on his list of priorities? Because pipes burst every day in that region, and people are penalised from having potable water.

The Ag. Prime Minister: I take good note, Mr Speaker, Sir.

Mr Bérenger: The hon. Ag. Prime Minister he has given us details of the remedial measures that are being taken or will be taken. Remedial measures like other measures cost money. Is it a fact that the funding agencies are not happy at all with the situation concerning wasted water at the CWA? Is it a fact, as in the case of the Wastewater Authority, the European Union and the European Development Investment Bank are not happy at all with performance at the CWA?

The Ag. Prime Minister: Mr Speaker Sir, it is quite right that there is a problem with the European Investment Fund. It concerns one of the consultants that was appointed to look after the six pilot projects of the region that I have already mentioned. Unfortunately, based on the results which have been underlined before, at the end of one year there was no result or appreciable improvement in the performance and, when informed accordingly, the European Investment Bank has reacted to ask for more information. As it is today, we appointed one consultant from the European Investment Bank to supervise the whole project and, at the end of one year, which is about a few months ago, we could not find any appreciable improvement. So, the contract was not renewed, thus creating this state of affairs between the CWA and the EIB.

Mr Bérenger: May I ask the Ag. Prime Minister whether he is satisfied that, in fact, it's the fault of the consultant that results have not come? Because how many times have we heard the CWA say that results will come within the next year! So many times, Consultants have changed, but leaks have not decreased. Is the hon. Ag. Prime Minister satisfied that it is the consultant who is at fault or rather others at the CWA?

The Ag. Prime Minister: I would go along and say that responsibilities are shared. But I think the next step with the private sector operator would be the solution because we tried so many times - myself from the past 10 years in 1999 when I was Minister I think in 2000-2005. I must say that we must address and see to it that the problem of water which is very serious for the next decade or two, otherwise we are going to find ourselves in a very seriously water scarce situation. So, I go along; I think the CWA should be looked into and whatever changes there need to be will be brought.

Mr Guinness: Mr Speaker, Sir, concerning these pipes, I have seen in some places where the broken pipes are removed and are left by the side of the road, and I think it is very dangerous. Therefore, can the Ag. Prime Minister ensure, at least, that the CWA or the contractor dispose them off as it must be instead of leaving them by the side of the road and children playing with that?

The Ag. Prime Minister: Yes, certainly. I would take good note of that and I make sure that they are properly disposed of.

SUMMER TIME - ENERGY CONSUMPTION

(No. B/45) Mr S. Dayal (Second Member for Quartier Militaire & Moka) asked the Deputy Prime Minister, Minister of Renewable Energy & Public Utilities whether, in regard to summer time, he will, for the benefit of the House, obtain from the Central Electricity Board, information as to the amount of savings made in terms of –

(a) energy consumption, and

(b) money.

(Vide reply to PQ No. B/31)

PRIMARY SCHOOLS - STANDARD I - ADMISSION – CUT-OFF DATE

(No. B/46) Mr S. Dayal (Second Member for Quartier Militaire & Moka) asked the Minister of Education, Culture & Human Resources whether he is aware that there is a substantial drop in the intake of students in Standard I at the primary level and if so, will he consider changing the cut-off date of attaining the age of five on 31 December of the previous year to 31 March of the intake year so that children born on or before 31 March of that year be eligible for admission.

Dr. Bunwaree: Mr Speaker, Sir, I am indeed aware that intakes in standard one has over the past decades followed declining trend although it has remained more or less steady since 2003. This is mainly due to demographic reasons for the current school year standard one intakes stands at 17,876. As regards the proposal of the hon. Member to amend the regulations to the cut-off dates of 31 December be pushed to 31 March, I am informed that there have been attempts in the past, namely in 1982 and 2001 to amend the regulations to change the cut-off dates regarding age of admission to standard one. However, both amendments were repealed afterwards for administrative and pedagogical reasons.

Mr Speaker, Sir, the question is, however, pertinent and I agree that notwithstanding the fact that the past two attempts of 1982 and 2001 have not been conclusive, we should continue to reflect on the matter so that we can eventually come with a more acceptable formula for admission after consultation with all the stakeholders.

MINISTRY OF HEALTH - GLUCOMETERS - NORMS & QUALITY

(No. B/47) Mrs A. Navarre-Marie (First Member for GRNW & Port Louis West) asked the Minister of Health and Quality of Life whether, in regard to the recent procurement of glucometers by his Ministry, he will state if he is aware of any allegations made in respect of the norms and quality thereof and, if so, indicate if an inquiry has been carried out thereinto and the outcome thereof.

Dr. Jeetah: Mr Speaker, Sir, I am informed that my Ministry is not in presence of any allegations made in respect of the recent procurement of glucometers.

I am also informed that tenders for the supply of glucometers and test strips for determination of glucose in the blood were floated in May 2008. The bids were received and evaluated at the Central Procurement Board which approved the award of the contract to Messrs Bikspharma Ltd. Consequently, a letter of intent was issued to the recommended bidder.

Thereafter, one of the unsuccessful bidders challenged the award of the contract as approved by the Central Procurement Board. The matter was subsequently referred to the Independent Review Panel (IRP) in accordance with the provisions of the Public Procurement Act 2006.

The Independent Review Panel highlighted certain discrepancies and recommended that the intention to award the contract for the supply of glucometers and the strips be reviewed.

The matter was referred to the Central Procurement Board, which after a fresh evaluation exercise, maintained its previous approval on Messrs Bikspharma Ltd.

In the circumstances, my Ministry has referred the matter to the State Law Office for advice.

Mr Speaker: Next question!

TROU AUX BICHES - GILL-NET PERMITS

(No. B/48) Mrs A. Navarre-Marie (First Member for GRNW & Port Louis West) asked the Minister of Agro Industry, Food Production and Security whether, in regard to gill-net permits, he will state if same have been recently delivered in the region of Trou aux Biches and, if so, indicate –

- (a) since when, and
- (b) the number of beneficiaries thereof, indicating their names and addresses in each case.

Mr Faugoo: Mr Speaker, Sir, a gill-net licence was issued by my Ministry under section 30 of the Fisheries and Marine Resources Act 2007 to Aspire Multipurpose Cooperative Society on 09 March 2009 for use within the limit of Pamplemousses District and not specific to Trou aux Biches.

I am advised that Mr Georges Armand Virassamy, a registered net fishermen, is responsible for the operation of the gill-net.

With regard to parts (b) and (c), the beneficiary is the Aspire Multipurpose Cooperative Society whose registered address is Mahatma Gandhi Street, Triolet.

**PORT LOUIS NORTH & MONTAGNE LONGUE
- ALLEVIATION OF POVERTY SCHEME**

(No. B/49) Mr P. Jhugroo (Third Member for Port Louis North & Montagne Longue) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the Alleviation of Absolute Poverty Scheme, he will state the total amount of money spent for the Constituency No. 4, Port Louis North and Montagne Longue, since its implementation to date, indicating in each case, the quantum disbursed, region-wise.

The Vice-Prime Minister, Minister of Finance and Economic Empowerment (Dr. R. Sithanen): Mr Speaker, Sir, one of the main objectives of the Trust Fund for Social Integration of Vulnerable Groups is to alleviate poverty in the deprived areas through community-based projects, initiated and implemented by Non-Governmental Organisations and Community-based Organisations.

As such, these organisations submit projects which cover the pockets of poverty in their locality and not necessarily in terms of constituencies. Thus, the implementation of a project from such organisations may overlap constituencies.

With regard to poverty alleviation programme, the Trust Fund has since July 2005 up to March of this year implemented some 22 community-based projects geared towards alleviating poverty in the region of Port Louis North/Montagne Longue. These projects were initiated through NGOs and were monitored by the staff of the Trust Fund.

The Trust Fund has to date approved the disbursement of a total sum of Rs15.7 m. of which Rs14 m. was for the construction of 265 housing units and Rs1.7 m. for the provision of school materials for needy children in terms of uniforms, school bags, shoes and socks as well as stationery.

In addition, Mr Speaker, Sir, as already announced in the Budget Speech last year, a national Programme, known as Eradication of Absolute Poverty has been set up which focuses on the 229 pockets of absolute poverty. The aim is to adopt an integrated approach within identified pockets of poverty in partnership with the private sector, Government agencies and NGOs with a view to combating absolute poverty.

As a first measure, the EAP Committee, set up to manage the Programme, has developed a scheme to ensure that no child of pre-primary school age from vulnerable families is left out of school. In this connection, following a survey conducted by the Trust Fund last year in September, it was noted that some 544 children living in the pockets of poverty were not attending pre-primary schools. Accordingly, the EAP Committee with the collaboration of the NGOs and Private sector offered on a pilot basis a package of incentives to encourage them to attend school. This year, out of the 544, some 315 children are still going to pre-primary school. These children are being provided with free meal, school fees, transport as well as school materials. The NGOs are also collaborating, through follow up (*politique d'accompagnement*) of the children and families and are also ensuring that the children are attending school regularly.

The annual average expenditure per child, excluding transport amounts to Rs12,000. In the district of Port Louis some 70 children are being supported under this Programme.

As far as Montagne Longue and neighbouring localities are concerned, the survey carried out by the Trust in September 2008 revealed that pre-primary school age children are all attending school. However, those children coming from vulnerable families require assistance in terms of school materials. Accordingly, three projects for provision of such materials have been implemented in these regions in January of this year.

ROCHE BOIS - MARKET FAIR - LAND ACQUISITION

(No. B/50) Mr S. Lauthan (Third Member for Port Louis Maritime & Port Louis East) asked the Minister of Housing and Lands whether, in regard to the compulsory acquisition of a plot of land in Roche Bois, near the flyover, for the implementation of a market fair, he will state if financial clearance has been obtained and, if so, where matters stand.

Dr. Kasenally: Mr Speaker, Sir, I am informed that at the request of the former Minister of Housing and Land necessary provision has been made for the implementation of the said market fair in the programme of works to be undertaken by the National Development Unit. Necessary arrangements are being made for the compulsory acquisition of the said plot following financial clearance which are given.

Mr Lauthan: Mr Speaker, Sir, should I understand that final financial clearance has not been obtained three months after the previous PQ on the same issue?

Dr. Kasenally: I have just said that following clearance of the financial clearance, it has been obtained.

Mr Lauthan: Mr Speaker, Sir, a proper market fair should be put up *digne de son nom* because given the topology of the place, when it rains, a lot of water is retained and it takes days for the water to dry off. Can there be a proper tarring?

Dr. Kasenally: I shall impress upon the National Development Unit and my colleague to ensure that there is proper drainage and, as the hon. Member say, elevation, so that the people of Roche Bois can enjoy the benefit of a modern market fair.

MADAGASCAR - POLITICAL CRISIS - DIPLOMATIC INITIATIVES

(No. B/51) Mr Y. Varma (First Member for Mahebourg & Plaine Magnien) asked the Minister of Foreign Affairs, Regional Integration and International Trade whether, in regard to the political crisis in Madagascar, he will state the diplomatic initiatives taken by Mauritius with a view to finding a solution thereto.

The Minister of Local Government, Rodrigues & Outer Islands (Dr. J. B. David): Mr Speaker, Sir, with your permission, I shall reply to this question.

Mr Speaker, Sir, Mauritius has actively supported and is part of the initiative of the International Community including the United Nations, the African Union, Indian Ocean Commission (IOC) and SADC, to find a peaceful solution to the crisis and has encouraged the two parties to engage in a constructive dialogue towards peace. Our Ambassador has been involved in the efforts of the Diplomatic Corps in Madagascar to get the concerned parties to resolve the crisis.

Moreover, the IOC delegated a mediation mission to Madagascar that included former President Karl Offmann to facilitate the dialogue between President Marc Ravalomanana and Mr Andry Rajoelina with a view to resolve the crisis. Further, the Government of Mauritius joined the International Community to condemn the transfer of power as an unconstitutional action.

Hon. Dr. Boolell, Minister of Foreign Affairs, has also discussed the situation in Madagascar with Mrs Glamini Zuma, Minister of Foreign Affairs of South Africa, during his trip to Cape Town in February, and most recently, with the Secretary General of the UN during his trip to New York last week?

Mauritius also participated at the highest level in the SADC Extraordinary Summit which met in Swaziland on 30 March 2009 to discuss the political situation in Madagascar. The Extraordinary Summit has suspended Madagascar from all community institutions and organs until the return of the country to constitutional order. Mauritius proposes to participate in the 25th Council of Ministers of the Indian Ocean Commission to be held in Moroni, the Comoros on 04/05 April 2009. The situation in Madagascar is on the agenda.

Mr Varma: Mr Speaker, Sir, could the hon. Minister inform the House whether Mauritius recognizes President Rajoelina as in that capacity?

Dr. David: Mr Speaker, Sir, Mauritius aligned itself on SADC, and a communiqué has been issued today.

COURT USHERS & COURT OFFICERS - RECRUITMENT

(No. B/52) Mr Y. Varma (First Member For Mahebourg & Plaine Magnien) asked the Minister of Civil Service and Administrative Reforms whether, in regard to the vacancies for the posts of Court Ushers and Court Officers, he will state the number thereof, in each case, as at to date, indicating if measures are being taken to fill same.

Mr Hookoom: Mr Speaker, Sir, I am informed that there are at present 20 and 35 vacancies in the grade of Court usher and Court officer respectively. Following the recommendations of the Pay Research Bureau in its 2008 Report in respect of qualifications for entry grades, the recruitment exercises could not be undertaken as the relevant schemes of service had to be amended. However, in view of an urgent need to recruit trainee Court officers and to fill the vacancies in the grade of Court ushers, my Ministry agreed in November 2008 that recruitment in the two grades concerned be made on the basis of the existing scheme of service.

Mr Speaker, Sir, I am given to understand that a written examination is scheduled for 04 April 2009, and this will lead to the recruitment of the Court ushers. Insofar as enlistment of trainee Court officers is concerned, the exercise is under way.

Mr Varma: Mr Speaker, Sir, could the hon. Minister inform the House when the recruitment will take place? Is there a time frame? Is it in two months, three months?

Mr Hookoom: Mr Speaker, Sir, it will be done in due course.

DES PLACES & CARREAU ESNOUF VILLAGES - ROAD TARRING

(No. B/53) Mr Y. Varma (First Member for Mahebourg & Plaine Magnien) asked the Minister of Public Infrastructure, Land Transport and Shipping whether, in regard to the tarring of the road linking the villages of Des Places and Carreau Esnouf, he will state where matters stand.

Mr Bachoo: Mr Speaker, Sir, RDA will proceed with the resurfacing of the road, once it is declared public.

Mr Varma: Mr Speaker, Sir, I know that the hon. Minister has given due attention to that problem. But can I request him to liaise with his colleague, the Minister of Local Government, to see to it that this road is declared public as soon as possible?

Mr Bachoo: I'll look into it, Mr Speaker, Sir.

LE BOUCHON - COMMUNITY CENTRE - CONSTRUCTION

(No. B/54) Mr Y. Varma (First Member for Mahebourg & Plaine Magnien) asked the Minister of Environment and National Development Unit whether, in regard to the proposed construction of a Community Centre in Le Bouchon, he will state where matters stand.

Mr Bundhoo: Mr Speaker, Sir I would like to inform the House that an extent of land of 1082.93 sq mts has already been vested in my Ministry.

Consequently, I have already requested the consultant Servansingh Jadav & Partners to effect a site visit and to prepare the design, scope of works and tender documents, which is expected to be submitted shortly.

Mr Varma: Mr Speaker, Sir, the hon. Minister has spoken about shortly. Is there a timeframe actually for the project to be implemented?

Mr Bundhoo: In due course!

TOPIZE, JOSEPH REGINALD (KAYA) - MONUMENT

(No. B/55) Mr J. C. Barbier (Third Member for GRNW & Port Louis West) asked the Minister of Education, Culture and Human Resources whether, in regard to the 10th anniversary of the death of Joseph Reginald Topize, also known as Kaya, he will state if Government will consider the advisability of erecting a monument in his memory for his contribution to the development of our local music and the creation of the Seggae Music.

Dr. Bunwaree: Mr Speaker, Sir, we fully recognize the contribution of Joseph Reginald Topize, also known as Kaya, in the promotion of our local music. I am thankful to the hon. Member for the question and wish to inform him that, in fact, my Ministry has received several suggestions, both locally as well as from Mauritians abroad, for honouring this prominent Mauritian artist who is renowned as the pioneer of Seggae Music.

In the wake of the construction of the Nelson Mandela Centre for African Culture, we have envisaged to include an element to give due recognition to the artist.

Moreover, my Ministry is giving serious consideration to the work and contribution of Kaya and to explore the best way to recognize the life and work of the artist. I would welcome all suggestions from any hon. Member to that effect. Of course, Mr Speaker, Sir, this will be done in consultation with the family of the artist.

Mr Barbier: Mr Speaker, Sir, may I ask the hon. Minister whether there is a time frame, whether a committee has been...

(Interruptions)

Dr. Bunwaree: As short as can be.

Mr Barbier: Will the hon. Minister also consider the advisability of putting to contribution the MASA?

Dr. Bunwaree: I have mentioned all the stakeholders.

FISHING BOATS - ACQUISITION

(No. B/56) Mr J. C. Barbier (Third Member for GRNW & Port Louis West) asked the Minister of Agro Industry, Food Production & Security whether, in regard to the project for the acquisition of fishing boats which was discussed at a meeting chaired by the then hon. Minister of Agro Industry and Fisheries on 12 September 2008, he will state where matters stand.

Mr Faugoo: Mr Speaker, Sir, at a meeting held on 12 September 2008, it was decided that the Fisherman Investment Trust and the Mauritius Export Association, MEXA, would each invest equally in the acquisition of six boats for fishermen to operate around the fish aggregating device fishery.

The objective of the project is to encourage fishers to divert their fishing activities from the lagoon to the more productive off shore areas, particularly around the fish aggregating

devices. MEXA subsequently informed my Ministry that because of the financial crisis, it was not in a position to fulfil its obligation and would limit its financial involvement only to the acquisition of one boat. In view of this unexpected development, I had consultations with the Fisherman Investment Trust to ensure that the project is not jeopardized.

As a result of these consultations, the Trust agreed to release funds for the acquisition of four boats instead of three, as initially planned. This proposal was approved by the Board of the FIT on 27 February 2009. Moreover, a Memorandum of Understanding was signed between FIT and MEXA on 11 February 2009 which, *inter alia*, provides for the setting up of a new entity, “*Les Pêcheurs Réunis, Limited*” to implement the project. Modalities for the registration of the new company and the eventual purchase of boats are being finalised.

Mr Barbier: Mr Speaker, Sir, initially, it was question of the acquisition of 26 boats, and six were to be finalised at latest December 2008. We are nearly in April 2009, and we are still waiting for the boats which were to be purchased on a pilot basis to start the operation. Now, we hear that only four boats are going to be purchased. May I know whether only four boats are going to be purchased or is it only on a pilot basis and more boats are coming afterwards? We need clarification.

Mr Faugoo: Mr Speaker, Sir, the question specifically relates to the meeting which was held on 12 September with regard to the purchase of five boats. I am only referring to those five boats. As far as the acquisition of boats is concerned, maybe the hon. Member can come with a substantive question.

Mr Barbier: Within the same meeting, Mr Speaker, Sir, it was question of 26 boats but six on a pilot basis. That's why I'm asking the Minister whether the four which he just mentioned are going to be on a pilot basis or whether more are coming afterwards. I want this to be clear.

Mr Faugoo: According to the agreement between FIT and MEXA, it was a question of six boats. It has now been reviewed to five boats, four by FIT and one by MEXA because of the financial crisis. And the rest of the boats are being taken care of under the Food Security Fund.

Mr Barbier: Can I know what funds are going to be disbursed by MEXA and FIT for the pilot project?

Mr Faugoo: I understand that it is about Rs7 m. altogether, and there was an additional sum of Rs50 m. which has been voted or earmarked under the Food Security Fund, Mr Speaker, Sir.

BAMBOUS VIRIEUX - FISHING INVESTMENT TRUST

(No. B/57) Mr J. C. Barbier (Third Member for GRNW& Port Louis West) asked the Minister of Agro Industry, Food Production and Security whether, in regard to the fish-farming project in the southern region, he will, for the benefit of the House, obtain from the Fishermen Investment Trust, information as to if the Trust will invest therein and, if so, give details thereof.

Mr Faugoo: Mr Speaker, Sir, I am informed that the Fishermen Investment Trust (FIT) is piloting a fish-farming project with the participation of fishers of Bambous Virieux area. This project will be implemented under the food security programme which was launched by my Ministry in January 2009. A sum of Rs15 m. has been earmarked under the Food Security Fund to that effect. The feasibility study has been completed with the technical assistance of ReCOMaP (Regional Programme for Sustainable Management of the Coastal Zones of the Indian Ocean Countries) which is an entity of the Indian Ocean Commission. The feasibility study has been approved by the Board of FIT in February 2009. The site recommended for the project is EST Pointe Bambous which is one of the fish farming zones prescribed by law. The FIT is currently endeavouring to fulfil two requirements for the project, namely the Environmental Impact Assessment and the Social Impact Assessment.

I would like to inform the House that I had the opportunity to discuss this project with *La Ferme Marine de Mahebourg* during a recent visit on Thursday last. *La Ferme Marine de Mahebourg* which is a pioneer in fish cage culture, has given an undertaking to assist the fishers of Bambous Virieux and FIT through the provision of technical assistance and the supply of juvenile fish for the project.

Mr Barbier: May I know whether Government is having the full support of the fishers of Bambous Virieux for this project?

Mr Faugoo: I had several meetings with the fishers and also with the organizations they belong to and they are agreeable to it.

Mr Barbier: May I take it from the Minister that there has been no objection so far concerning the participation of the fishers in the project?

Mr Faugoo: I am not aware of any objections so far, except for one or two members within the association. They have voiced out their feelings, but it is not as if they are against the project as a whole.

Mr Barbier: The business plan was to be finalised and discussed with the fishermen before going ahead with the project. May I know whether this has been done?

Mr Faugoo: I have to look into it and ask FIT whether this has been done.

Mr Barbier: It was also a question of training. A training programme was attached to that project for fishers who were to participate in this project. May I know whether this training programme has been set and, if not, where matters stand?

Mr Faugoo: The training component is still on the agenda, Mr Speaker, Sir. It is being taken care of under the Food Security Fund.

SCHOOL PREMISES - SPORTS FACILITIES

(No. B/58) Mrs S. Grenade (Second Member for GRNW& Port Louis West) asked the Minister of Education, Culture and Human Resources whether, in regard to the practice of sports, he will state if the sports infrastructural facilities on school premises are still being put at the disposal of the people of the localities thereof, after school hours and, if so, indicate if they are being charged a fee for same.

Dr. Bunwaree: Mr Speaker, Sir, the reply is in the affirmative. I understand that the Ministry of Youth and Sports is impressing the need to develop the sports culture and is taking measures to enable the public to have greater access to government-owned sports infrastructure.

It is to be noted that my Ministry was already putting at the disposal of the public the sports facilities available in the State Secondary Schools through the educational zones and against payment of a monthly fee. This practice is still ongoing.

In addition and in furtherance of the policy of Government to open up, as far as possible, the sports facilities available in our schools to the public, a Memorandum of Understanding was signed in September 2006 between my Ministry and the Ministry of Youth and Sports to allow sports associations, organized groups of members of the public and the public at large to have access to sports infrastructure in ten State Secondary Schools after school hours and non-school days, but through the Ministry of Youth & Sports and the Mauritius Sports Council. These facilities are granted against the payment of a nominal fee except for Saturdays, between 08 00 and 11 00 hours when the Sports Federations are allowed to use such facilities free of charge.

Mrs Grenade: May I know when this fee was asked to be paid and when this was decided?

Dr. Bunwaree: I think this was decided as soon as the implementation started after the memorandum of understanding.

Mrs Labelle: May I ask the hon. Minister whether he has an idea of the fee being claimed by the different sports federations ?

Dr. Bunwaree: Well, there are two things: one for the general public which is Rs25 per month, which is not much. In fact, we are starting to review this. For the Memorandum of Understanding, 10 schools are involved because many sports infrastructure are put at the disposal of the institutions that I have mentioned. The fees are for week days, between 16 00 and 21 00 hours; Rs35 per sport facility per hour. On Saturdays: Rs35 per sport facility per hour between 8 and 18 hours; between 18 00 and 22 00 hours: Rs50 per sport facility per hour.

Mrs Labelle: Mr Speaker, Sir, may I ask the hon. Minister whether he is aware that there is a public secondary institution which is asking for Rs200 per hour ?

Dr. Bunwaree: I have to look into this. In fact, this falls outside the categories that I have mentioned. But, in some cases, there have been cases where "*il y a eu des dégâts*" and maybe this could explain that. But, I am going to look into that.

Mrs Labelle: Because it is a small club, a small village and they have been asked to pay Rs200 per hour and, of course, they can't afford it. I am going, Mr Speaker, Sir, to table a copy of this letter.

Dr. Bunwaree: I am going to look into that, Mr Speaker, Sir.

Mr Gunness: The Minister mentioned a Memorandum of Understanding. There are 8 to 10 State schools. Can we have the list of the 10 schools?

Dr. Bunwaree: In fact, I have the list with me, Mr Speaker, Sir: La Tour Koeing SSS, Pointe aux Sables, Prof. Hassan Raffa SSS, Terre Rouge; Ramsoodur Prayag SSS, Rivière Du Rempart; Rajkumar Gajadhur SSS, Flacq; Indira Gandhi SSS, Quartier Militaire; Marcel Cabon SSS, Beau Bassin, Sir A. R. Osman SSS Phoenix; Vivekananda SSS, Souillac; Sangilly SSS Surinam, and Sookdeo Bissoondoyal SSS, Rose Belle.

Mr Jugnauth: With regard to the secondary school at Quartier Militaire, I have a slightly different information than what hon. Mrs Labelle just mentioned, that the fee has been increased. With regard to the football ground, I am informed that the fee has, in fact, been substantially increased and the criteria is according to member of the team. Would the Minister confirm whether that is correct?

Dr. Bunwaree: Officially, I have given the figures as they ought to be. In fact, they have to be like that. But I have just got the information that things have been changed here and there. I am going to look into the matter seriously.

Mr Varma: Mr Speaker, Sir, could the hon. Minister inform the House whether all States Secondary Schools are made available to members of the public?

Dr. Bunwaree: Not all, but wherever the sports facilities can be made available.

Mr Jhugroo: M. le Président, maintenant je vois pourquoi on n'a pas eu des bons athlètes dans ce pays.

(Interruptions)

On ne peut pas demander de l'argent aux jeunes pour pratiquer le sport et maintenant vous voulez qu'on ait des bons athlètes dans ce pays. Moi, je crois qu'il faut cesser de demander de l'argent à tous ces clubs et à ces jeunes pour venir pratiquer le sport dans ce pays. Il faut que cela cesse ! Si on veut avoir des bons athlètes il faut

Mr Speaker: The hon. Member has made his point.

Dr. Bunwaree: L'honorable membre pourra nous dire comment on va maintenir l'infrastructure, d'autant plus qu'il y a des casseurs aussi parmi eux.

(Interruptions)

Mr Speaker: Order!

Mrs Martin: Can the hon. Minister tell us whether it is envisaged to increase the number of schools where those facilities could be used by more people?

Dr. Bunwaree: In fact, this is being done, Mr Speaker, Sir, and we are going to improve the sports infrastructure for the students themselves.

Mr Speaker: Last question, hon. Gunness!

Mr Gunness: May I know from the hon. Minister, apart from the football ground and the volleyball ground, whether the gymnasium is put at the disposal of the public?

Dr. Bunwaree: Yes, on payment of Rs25 per month.

NELSON MANDELA CENTRE FOR AFRICAN CULTURE – CONSTRUCTION

(No. B/59) Mrs S. Grenade (Second Member for GRNW& Port Louis West) asked the Minister of Education, Culture and Human Resources whether in regard to the project for the construction of a building to house the Nelson Mandela Centre for African Culture, he will state where matters stand.

Dr. Bunwaree: Mr Speaker, Sir, I am advised that a first tendering exercise for the construction of the building to house the Nelson Mandela Centre for African Culture at La Tour Koenig was carried out in August last year.

The exercise was unsuccessful as by the closing date of 03 October 2008, only one bid was received for the project and the price quoted was around 72% more than that estimated by the Ministry of Public Infrastructure, Land Transport and Shipping.

Taking into account the big difference between the estimated price and the bid price and the fact that it was not possible to really assess the competitiveness of the bid as there was only one submission, the Central Procurement Board recommended that a re-tendering exercise be carried out.

Tenders have been launched anew in March 2009. The closing date for the submission of bids is 07 April 2009.

HOSPITALS - SURGICAL OPERATIONS - AWAITING PERIOD

(No. B/60) Mr S. Dayal (Second Member for Quartier Militaire and Moka) asked the Minister of Health and Quality of Life whether in regard to surgical operations, he will state –

(a) the number of patients awaiting same in each hospital and indicate the different areas of specialisation;

(b) the steps taken or to be taken to shorten the awaiting period, and

(c) any remedial action taken to improve information and communication between the patients and the medical authorities regarding date of surgical operations.

Dr. Jeetah: Mr Speaker, Sir, the House may wish to note that all cases requiring emergency surgery in the different areas of specialisation are operated upon immediately.

As regards part (a) of the question, with your permission, Mr Speaker, Sir, I am tabling the information required.

Regarding part (b) of the question, the following steps have been taken to remedy the situation –

- (i) we are starting with extra surgery sessions this week after normal working hours at Victoria Hospital, J. Nehru Hospital and Moka Eye Hospital;
- (ii) Optometrists have been employed on a sessional basis to do refraction at Moka Eye Hospital to allow the ophthalmologists to do more surgery sessions;
- (iii) action has been taken for the creation of two posts of optometrists on my Ministry's establishment;
- (iv) procedures have been initiated for the setting up of a new operating block at Victoria Hospital and at Moka Eye Hospital respectively;
- (v) 21 foreign medical teams visited Mauritius from January 2008 to February 2009. 436 complex surgeries have been effected in the different specialities, namely ophthalmology, cardiology, paediatric cardiology, paediatric urology, plastic surgery and orthopaedics;
- (vi) patients requiring surgery in specialities where expertise is not available locally are referred to Centres of Excellence abroad in accordance with set criteria on an Overseas Treatment Scheme. Over the last three years, 1,532 patients have been referred overseas for treatment, and
- (vii) we have intensified our Public Health Strategies. For instance, my Ministry has embarked on more aggressive sensitisation campaign on the prevention and control of NCDs through the Mobile Clinics. Regulations governing smoking and alcohol misuse have been made public and are being enforced.

Mr Speaker, Sir, as far as part (c) of the question is concerned, my Ministry is putting a lot of emphasis on communication in general between the medical and paramedical staff and patients. Training sessions on communication have started with a view to improving upon delivery of services.

Patients are accordingly informed of the appropriate date of their planned operation at the consultation stage. They are also told that in the event of any change of their conditions, they should contact the relevant unit for prompt action.

Mr Dayal: Mr Speaker, Sir, will the hon. Minister agree that we should put in place a mechanism of checks and balances to ensure that operations are already fixed and are not postponed on flimsy grounds and that the patients be explained the reason thereof?

Dr. Jeetah: I have explained, Mr Speaker, Sir, that we are putting emphasis on communication.

I think we can gain in this field by training.

Mr Varma: Could the hon. Minister inform the House in which field of specialisation is the waiting list the longest?

Dr. Jeetah: Mr Speaker, Sir, it is in ophthalmology and the second item would be general surgery.

Dr. Ramloll: Mr Speaker, Sir, my question pertains to two situations: one is when the patient is already abroad because a lot of time is taken for disbursement of the sum and due to emergencies the families somehow manage to take the patient abroad for surgery. I know cases where when they come back, they don't get the reimbursement. The second situation is: patients who are waiting for surgery somehow go on a trip, I don't know how, in group tours and they fall sick; and I know recently of a case in Delhi where the person had to undergo emergency cardiac surgery. They spent almost a million and they are still striving to have some part of it refunded. Can these issues be reviewed by the Ministry of Health?

Dr. Jeetah: Mr Speaker, Sir, I am not willing to discuss any patient's case, but I shall certainly look into the procedures to make sure that we provide a better service.

Mr Varma: Mr Speaker, Sir, could the hon. Minister inform the House of the number of patients who are on the waiting list for eye surgery?

Dr. Jeetah: It is 1,990.

Mr Jhugroo: Mr Speaker, Sir, can we know from the hon. Minister which foreign medical teams are undergoing surgical operations at the Cardiac Centre actually?

Dr. Jeetah: I do not have the list, Mr Speaker, Sir, but I know that we have a wide range...

Mr Speaker: The hon. Member must come with a specific question on this. Time is over! The Table has been advised that PQs B/67, B/68, B/69 and B/77 have been withdrawn.

At 4.45 pm the sitting was suspended.

On resuming at 5.20 p.m. with Mr Speaker in the Chair.

MOTION

SUSPENSION OF S.O 10(2)

The Ag. Prime Minister: Sir, I beg to move that all the business on today's Order Paper be exempted from the provisions of paragraph 2 of Standing Order 10.

Dr. Bunwaree rose and seconded.

Question put and agreed to.

PUBLIC BILLS

First Reading

On motion made and seconded the following Bills were read a first time –

(a) The Additional Stimulus Package (Miscellaneous Provisions) Bill (No. I of 2009)

(b) *The Centre de Lecture Publique et d'Animation Culturelle* Bill (No. II of 2009)

Second Reading

THE INSOLVENCY BILL

(No. XLII of 2008)

Order for Second Reading read.

The Vice-Prime Minister, Minister of Finance and Economic Empowerment (Dr. R. Sithanen): Mr Speaker, Sir, I move that the Insolvency Bill (No. XLII of 2008) be read a second time.

Mr Speaker, Sir, the present statutory framework dealing with insolvency in Mauritius is scattered among various pieces of legislations and have serious gaps that need to be addressed. Our economy has evolved and grown in sophistication in the past two decades. There is a wider variety of businesses, the economy is more globally integrated and business risk is becoming more spread and more intense. For these same reasons, many countries around the world have reformed their insolvency legislations and others are now adapting to that trend. Mauritius cannot afford to lag behind. In fact, the Insolvency Bill is yet another example of Government's commitment to adapt our legislation to the modern environment and to comply with international norms, standards and best practices. It is also crucial to our endeavour to improve the business climate in Mauritius and to ensure that the interests of all stakeholders in a business venture are fully protected, especially when companies face difficulties and become insolvent.

The Bill has been worked out in close collaboration with the World Bank and stakeholders in Mauritius. A Consultative Paper was issued in August 2007 on the policy proposals. It is to be noted that the World Bank submitted the “Report on the Observance of Standards and Codes” (ROSC) of Insolvency and Creditor Rights Systems for Mauritius” in March 2004. A Steering Committee on insolvency and creditor rights was appointed to work with the World Bank in the development of its report. Prior to the issue of the final report, a dissemination seminar was held in 2004, with the widest possible participation, among whom there were lawyers, accountants, bankers and other professionals. A number of policy recommendations were discussed and incorporated in the final report. Following these consultations the Bill has been finalized with the assistance of Professor Mc Kenzie from New Zealand who also drafted the Companies Act 2001 and the Companies Act 1984. We have also drawn on the experience of other countries, including Australia, Canada, Malaysia, New Zealand, Singapore and UK to finalise the Bill.

The most pressing reform of the insolvency legislation relates to the need for consolidation. Presently, the process for corporate insolvencies i.e. winding up, receivership and liquidation of companies are dealt with in the Companies Act 1984. The parts relating to these processes were not repealed by the Companies Act 2001. Individual insolvencies are dealt with in two separate statutes namely the Bankruptcy Ordinance of 1888 and the Insolvency Act of 1982. The Insolvency Act of 1982 which is essentially the Insolvency Ordinance of 1856 deals with the insolvency of individual non-traders while the Bankruptcy Ordinance of 1888 deals with the insolvency of individual traders. Part of the insolvency is dealt with in the Code Civil Mauricien and governed by many laws, including the outmoded law for trader (1888) and more recent company legislation that supports a variety of Procedures for voluntary and compulsory winding-up. The Bill will update and integrate the current fragmented framework into one modern, omnibus legislation.

Another crucial area where the law is modernized relates to the treatment of employee rights. Liquidation of a company under the existing legal framework produces little or no return to the unsecured creditors and a comparatively low return even to non-bank secured creditors. This Bill reviews this process in order to give greater protection to employees while, at the same time, protecting the priority of secured creditors under their respective security instruments. The Bill redefines the priority of claims in the distribution of assets in liquidation and gives workers’ unpaid salary higher priority than the secured creditors. Under present legislation workers claim are treated *pari-pasu* with the claims of secured creditors.

It is clear, Mr Speaker, Sir, that the salary of workers, the bread earners in the family, will get higher priority in the insolvency process than is presently the case. We need to put the focus on preventing and minimizing the human sufferings that closing down businesses can cause. This should be our primary concern and it has been so in this Bill. In fact, the higher priority of claims being given to workers’ salaries is not the only way in which this new legislation gives greater protection to people. The fact that this Bill puts a big focus on saving the company through alternative means to liquidation and provides for liquidation to come as a very last resort and not as easily as it does presently is a significant step forward to protect employment and the employees. I will elaborate on this important feature of the Bill in greater details.

The other striking reforms in the area of claims relates to Government revenue. Presently, Government can claim from a company in liquidation, all the amount due to it. Under the new legislation, collection of these dues will be restricted to the amount due in one year.

The Insolvency Bill is, therefore, setting out in the Fifth Schedule a new order of ranking of creditor claims following a survey of existing practices adopted by 15 countries, and takes into consideration suggestions received during the public consultation process. The list of ranking will now be in the legislation in contrast to the present predicament where there is no statutory list. These proposals would benefit all stakeholders (shareholders, creditors, employees, and the State) by giving them a fair share in the distribution of realised assets at each stage of the process.

Mr Speaker, Sir, another major weakness of the present legal framework for corporate insolvency is its bias towards liquidation. In many circumstances, companies are placed into liquidation when alternative resolutions might be possible or even less costly. The Bill corrects this bias. It provides for rehabilitation procedures that permit quick and easy access to the process of rehabilitation, providing sufficient protection for all those involved, giving a structure that permits the negotiation of a commercial plan, enabling the majority of creditors in favour of the plan or other course of action to bind all other creditors by the democratic exercise of voting rights and ensuring judicial and other supervision so that the process is not subject to manipulation or abuse.

This Bill provides for procedures for two important alternatives to winding up, these are

—

- (i) workouts, and
- (ii) voluntary administration.

Workouts are out-of-court debt restructurings. This has now become a global reality and a widespread practice. These debt restructuring are handled by professional insolvency and restructuring practitioners and are usually less expensive and painful as an alternative to outright bankruptcies. This instrument provides an avenue to enterprises to reduce and/or renegotiate its bad debts in order to improve or restore liquidity and rehabilitate the enterprise so that it can continue its operations. Thus, workouts are a rehabilitation mechanism to remodel the financial and organisational structure of debtors experiencing financial distress so as to permit the continuation of their business. The rehabilitation procedures, therefore, give a debtor/enterprise an opportunity to recover from its temporary financial difficulties, and to provide it with an opportunity to restructure its operations. Where rehabilitation is possible, such an approach will be a preferred option as the continued operation of the enterprise will enhance the value of the assets as opposed to liquidation, and that production unit can be sold as a going concern to minimise hardship on shareholders, creditors and employees.

The Bill provides for directed workouts for prescribed companies, that is, those companies which, by reason of the nature and scale of activities or the number of employees, have a material impact on the national economy. The Bill provides for the establishment of a Companies Supervisory Committee, one member who is appointed by the FSC, one member by the Bank of Mauritius, three members appointed by the Minister and the Registrar of Companies. The Committee is given power to review the activities of the prescribed companies and take steps where reasonably practicable to rehabilitate those companies that are encountering financial difficulties.

Voluntary Administration

(Part III, subpart IV - s 215 to s 303)

Voluntary Administration is another alternative to liquidation that is provided for in the Bill. In some of the major jurisdictions, including UK, New Zealand and Australia, the introduction of voluntary administration saw an immediate buy-in, and it has since become the dominant formal procedure in times of financial distress. The consequences of administration include the following –

- (i) directors retain their positions, but are unable to exercise any of their powers without the written consent of the administrator;
- (ii) any transaction affecting the company's property is void unless made with the consent of the administrator, or with leave of the Court;
- (iii) a moratorium is placed on the rights of owners, or lessors of property in possession of the company;
- (iv) there is a moratorium on all proceedings against the company. Creditors can, however, resolve to liquidate the company;
- (v) the administrator takes over the management and control of the company and, amongst other powers, may carry on or terminate the business, dispose of the company's property, and remove directors;
- (vi) the administrator may also sell property subject to a charge, if this is done in the ordinary course of business, or with leave of the Court. However, the secured creditors can still enforce its security even if an administrator is appointed.

The administrator is required to hold meetings of creditors within a strict time frame, investigate the affairs of the company and within 21 days of his appointment to convene a meeting of creditors, inform them as to the affairs of the company and give his opinion on whether the creditors should either enter into a deed of arrangement; terminate the administration; or wind up the company.

Thus, the Insolvency Bill proposes a four-phased process as opposed to the current two-phased process.

- ◆ Restructuring/Work outs
- ◆ Administration Receiver/Manager

◆ Liquidation

Liquidation will only take place when there is absolutely no hope of restoring an insolvent person or corporation.

The present legal framework is very vague on who can act as liquidator, how much they can charge and what are their powers. In contrast, the Bill requires that a liquidator be registered with the Insolvency Service. The fees charged by the liquidator will also be governed by the Bill and should not exceed 15% of the distributable proceeds. The Bill also brings together in one place, a statement on the powers and duties of the liquidator.

The Bill provides for continued supply of essential services for a short period of time to companies that are being sold as a going concern.

Individual insolvency (Part II)

As regards individual insolvency, separate regimes exist presently - the Bankruptcy Act (1888) for traders and the Insolvency Act 1982 for non-traders. Although there is a broad similarity between the two regimes, there are a large number of procedural differences - because the Bankruptcy Act is derived from the English Bankruptcy statute while the Insolvency Act is related to the Code Civil Mauricien. This weakness will be addressed by having one single legislation to govern all insolvency matters.

In a number of respects, there is an intersection between the individual and corporate regimes, that is, references are made to the Companies Act as well as the Bankruptcy Act. Thus, at the time the Companies Act 2001 was enacted, certain of the provisions of the Companies Act 1984 dealing with corporate insolvency matters were not repealed as it was felt that such issues would be better addressed in a comprehensive insolvency legislation covering both individual and corporate bankruptcies. The Insolvency Bill repeals the remaining provisions of the Companies Act 1984, the Bankruptcy Ordinance 1888 and the Insolvency Act 1982.

An important change in this Bill regarding individual insolvency relates to application by a bankrupt for discharge. The present Bankruptcy Act provides in section 29 for a bankrupt to apply for discharge at any time after being adjudged bankrupt. The Court may grant, refuse or suspend discharge under section 30. However, many bankrupts never apply for discharge. As undischarged bankrupts, they present some hazards to the commercial community as their capacity to enter into further indebtedness is limited and they may not, without risk to those whom they contract with, re-enter into the control or management of a business. The practice in modern Bankruptcy Acts is to provide for automatic discharge after a stated period of time, usually three years. A bankrupt who wishes to apply for discharge at some earlier date is able to do so and whether or not the application is granted is subject to the discretion of the Court in the usual way. In the case of an automatic discharge, any creditor or the Official Receiver may lodge with the Court an objection to the bankrupt's discharge. If an objection is filed, then the Court will hear any representations made by the Official Receiver and creditors, and if appropriate grounds are established, the Court may refuse to grant a discharge or grant a discharge subject to

such conditions as the Court thinks fit, including an order for regular payments to be made by the bankrupt in reduction of his indebtedness for such period of time as the order provides.

The Insolvency Bill makes provision in clause 97 for the automatic discharge of a bankrupt upon the expiration of three years from the date of adjudication in bankruptcy. In the case of a Summary administration under clause 34, the period is two years.

Cross-border insolvency (Schedule 10th)

Mr Speaker, Sir, a new regime, which is included in the Bill, in order to address the problems which arise from cross-border insolvency, that is, where, in the case of an individual or company insolvency, assets are held in more than one jurisdiction and creditors may be located in a number of countries. Important issues arise for Mauritius in this area because of the significance of the global business sector. It is important that there are clear and well understood rules governing the insolvency of global business companies incorporated in our country and also governing those respects in which such companies can form part of, or operate outside of, an international insolvency administration. The Bill thus provides for Mauritius to adopt the UNCITRAL model law of the United Nations on cross-border insolvency which has been adopted by a number of jurisdictions. It is set out in the 10th Schedule. The Schedule will, however, not come into operation until there is sufficient reciprocity in dealing with insolvencies in jurisdictions that have trading or financial connections with Mauritius, or that it is otherwise in the public interest. For the regime to be workable, it is desirable that there be some mutuality between affected jurisdictions so that the principal countries with which Mauritius has trading or financial connections either have adopted the UNCITRAL regime or have compatible regimes. Special provision is made in clause 132(4) for deposit taking institutions, mutual funds and life insurance companies, conferring on the Court power to segregate assets so as to give priority for payment to local depositors or investors. This Bill is, therefore, a significant step towards the modernisation of modern insolvency system to deal with cross-border insolvency proceedings.

Netting arrangements in financial contracts

(Part V - clauses 338-363)

Another crucial coverage of this Bill is the introduction of a new set of statutory provisions dealing with netting arrangements in financial contracts. It provides for the netting of certain financial contracts, both in and outside of insolvency. It also provides rules relating to the law to be applied to intermediaries in relation to the maintaining of securities accounts and 'intermediary' is defined in clause 338(3) and covers a person who, in the course of business or other regular activity, maintains securities accounts for others or both for others and for its own accounts. Shareholders, futures dealers, money market dealers, investment bankers and merchant bankers would come within this description. These rules, Mr Speaker, Sir, have importance in relation to a number of financial transactions, particularly, international financial transactions, where arrangements are entered into for the netting between parties of their respective positions where the parties are subjected to payment or delivery obligations at some future point of time.

Where the positions are closed out, the parties will net off their obligations. In the absence of legislation, major difficulties can arise if one of the parties becomes insolvent and unable to honour its part of the netting obligation. It is important that payment systems, particularly those which can impact in a systemic way more widely on the financial system, be protected from insolvency laws that could otherwise jeopardize finality and the irrevocability of transactions. The Bill provides statutory support for the enforcement of netting arrangements in relation to certain qualified financial transactions in the event of the insolvency of one of the participants.

Mr Speaker, Sir, in line with the recommendations of the Mackay Report, the Insolvency Legislation has been prepared on the assumption that a Commercial Court would be established to handle both commercial and bankruptcy matters. A Commercial Division of the Supreme Court is already operational since January 2009 where corporate cases are being looked into.

The provisions relating to receiverships and winding up matters under the Companies Act 1984 will be repealed with the coming into force of the insolvency law, and its administration would remain with the Registrar of Companies. The proposed "Insolvency Service" would operate as a Unit of the Registrar of Companies as is the case in other jurisdictions.

Another salient feature of the Bill is the placing of additional responsibilities on directors of companies in the exercise of their duties, including procedures for public examination of directors and debtors by the Official Receiver/Court to prevent recurrence of delinquent behaviour and a sanction mechanism (clause 52, 3rd schedule).

Mr Speaker, Sir, the Insolvency Bill reflects the objectives of Government to implement an insolvency regime that effectively balances the interests of debtors and creditors. This has not been a simple task. We strongly believe that the legislation before the House will make insolvency proceedings more transparent and, hopefully, less painful. Under this new legal framework, insolvency will not happen in an opaque world bereft of accountability. This Bill also gets the balance of regulation right so that all stakeholders affected by insolvency have confidence in the process. This Bill will also secure the reputation of Mauritius as a well governed business and financial services centre and a trustworthy investment destination. It will shore up corporate goodwill. With the passing of the current Bill, the Companies Act 2001 and the Insolvency legislation would become the two most important set of laws governing the corporate sector. Together, they are expected to enhance corporate governance and corporate ethics, and allow creditors to put in place the management of troubled firms, and in this way create incentives for prudent corporate behaviour. I will come, at Committee Stage, with minor amendments which essentially, Mr Speaker, Sir, relate mainly to mistakes in cross references.

With these words, Mr Speaker, Sir, I commend the Bill to the House.

The Ag. Prime Minister rose and seconded.

(5.40 p.m.)

The Leader of the Opposition (Mr P. Bérenger): Mr Speaker, Sir, on one thing we can agree, that is, there is a need to consolidate and update the existing bankruptcy, insolvency

legislation. On that, we can agree. In fact, it has been a long process. There have been different drafts under previous Governments. The World Bank has come in, as the hon. Minister himself pointed out earlier. But I have two criticisms to make. *Premièrement, que le projet de loi est devant nous et représente un progrès, mais ne prend pas en considération la crise financière et économique qui frappe le monde entier et qui fva nous frapper de plus en plus. Première critique.* It has not been updated, it is not up to date. *Et ma deuxième critique, ce sera que nous avons devant nous une loi pour les banques et non pas pour les salariés et les petites et moyennes entreprises.*

Before I say a few words on both criticisms, let me say that it is not fair of the Minister to say that he will move amendments at Committee Stage, calling them minor. It is probably *sans précédent* that an important piece of legislation which has been in circulation for quite a while and that, for once, Government moved it at First Reading and gave time to everybody to study the piece of legislation. And yet, record, six pages of amendments, which the hon. Minister calls minor. He calls them minor. We won't even have time to check. He added new paragraphs. It is not minor amendments. Six pages of - it is true - a lot of small referrals; but it is not nice. Instead of referring to a Schedule, we would refer to the wrong Schedule, to the wrong sections. But, there are also important amendments which we have not had the time to study. It's a shame, because, as I said, First Reading was moved months ago. Everybody had time to study this important piece of legislation and, then, today, six pages of amendments. *Sans précédent; li même meilleur!* Six pages for amendments! So, be it. Honestly, I am sure we are all in the same boat. We have not had time to study these six pages of amendments. It's not proper to behave in that way. But let me come back to my two pieces of criticisms. One, *je considère que le texte de loi prepare au fil des années, au fil des différents drafts n'a pas été mis a l'ordre du jour, et l'ordre du jour c'est la crise financière et économique qui nous frappe tous. Une occasion ratee, bien que je le repete, la loi comparee a ce qui existe actuellement represente un progres. Mais nous aurions pu aller beaucoup plus loin, prendre en consideration ce qui se passé a travers le monde a cause de la crise financière et économique internationale.* It is as if this piece of legislation was a prefinancial and economic crisis piece of legislation.

Let me address a word of warning to Government. In the same way that across the world these days, every day, bankruptcy, insolvency legislation is being updated to better cope with the international, financial and economic crisis. It also applies to another piece of legislation which we are now beginning to implement and which across the world is being reviewed *à la lumière de la crise financière et économique.* I am making reference, of course, to the Competition Act. Throughout the world, the same thing is happening. We have to adapt our legislation in the Companies Act or this Insolvency Bill to become an Act, or the Competition Act. We have to adapt it *à la lumière de la crise sans précédent depuis la grande crise des années 30, la crise financière et économique qui nous frappe.* *En fait,* the World Bank and the IMF themselves are changing. When you read the statements from the Heads of the IMF these days, the World Bank, it is another type of animal. The international, financial and economic crisis has even changed them fundamentally and yet the piece of legislation which we prepared before the full impact of the financial and economic crisis. As I said, we are not, all of us, experts in bankruptcy, insolvency, company law, but we read and when you read you see every day elsewhere in US, in the United States, in Europe, all over the place, insolvency, bankruptcy, receivership legislation is being adapted to better cope with the international financial and economic crisis. Either

legislation is being updated, amended or innovative use of existing legislation, existing laws are being made of.

Yesterday and this morning, I went on the internet to see what is happening concerning the car industry in the United States. It is very interesting to see the new President of the United States turning to bankruptcy, receivership bankruptcy, insolvency legislation to save the car industry in the United States, to allow the courts to intervene like they have never done before in talks between creditors, especially banks again, bond holders and the companies themselves. Let me quote in the Wall Street Journal of yesterday morning. The Wall Street Journal makes the following comment before I quote president Obama himself. The Wall Street Journal makes the following comment -

“The Administration says a surgical structured bankruptcy may be the only way forward for General Motors and Chrysler” and President Obama had put that prospect on Monday and I quote President Obama –

“I know that when people even hear the word ‘bankruptcy’ it can be a bit unsettling, so let me explain what I mean. What I am talking about is using our existing legal structure as a tool that, with the backing of the US Government, can make it easier for General Motors and Chrysler to quickly clear away old debts that are weighing them down so they can get back on their feet and onto a path to success, a tool that we can use, even as workers are staying on the job, building cars that are being sold.”

They are way ahead of our legislation in the United States - a way ahead. The different chapters under which they can operate, that they can act, are way ahead of our piece of legislation that is before us here. And they are adapting it further, they are bringing innovative amendments to both the legislation and the use of existing amendments, that is, as far as companies are concerned. Now we know that over the last past months what efforts have been put in helping insolvent house owners, small and medium enterprises in freezing debts to allow enterprises or household to survive in this difficult international financial and economic crisis we are going through. That is my first point, namely that we missed an opportunity; *une occasion ratée. La loi représente un progrès par rapport à ce qui existe. Elle était éparpillée, dépassée, et là-dessus nous sommes d'accord. Mais, c'est une occasion ratée, et on aurait pu faire beaucoup plus, apprendre beaucoup mieux de ce qui est en train de se faire aux Etats-Unis, en Europe and elsewhere, to allow the country, its enterprises, its workforce to better face that music that the hon. Minister of Labour referred to this morning. It is tough music that the international, financial and economic crisis is bringing not only to our shores but to the shores of all the other parts of the island. That is my first criticism; une occasion ratée.*

My second point is that it is definitely *une loi pour les banques et non pour les employes et les petites et moyennes entreprises. It is biased in their favour. Les employes, les petites et moyennes entreprises* do not get a fair deal with this piece of legislation. Of course, we have to take into consideration also the interest of the banks and the creditors in general, but this piece of legislation is fundamentally biased in favour of the banks and not in favour of employees and small and medium enterprises, meaning *surtout les petits hôtels, les small suppliers, les petits*

planteurs. In a way, I feel we could call this piece of legislation a Debt Recovering Bill in favour of the banks. C'est une loi pour les banques et non pas pour les employes et les petites et moyennes entreprises, and what is disturbing is that this piece of legislation with that bias is coming after the promulgation of the Employment Rights Bill which was discussed this morning through the Private Notice Question and at a time also when the sale by levy saga continues unabated. When you have these three pieces of legislation targeting employees and small and medium enterprises, this is very, very difficult.

I heard the Minister point out that the employee's interest is coming third line after the liquidators' fees, tax due to Government. This is no progress, no progress at all, and the figure which the Minister reminded us -what limit the liquidators' fees and other expenses can reach - underlines the point which I am making. *C'est definitivement une loi pour les banques et non pas pour les employés et les petites et moyennes entreprises.*

These are the two main points which I wanted to make, and I repeat that this Bill plus the Employment Rights Bill *vont faire beaucoup de mal aux salaries et aux petites et moyennes entreprises, en particulier, les petits hôtels et les petits planteurs.*

The Government is going to bulldoze the piece of legislation with six pages of amendments, but I would appeal to Government that if ever Government side approves this piece of legislation, it should be reviewed in the near future.

In the UK, in the US, in Europe in general and so on, you have a number of high powered task forces. For example, in the case of the car industry in the United States, you have a very high powered task force that reported to Government after full inquiry and a creative search for new solutions. I think we should - even if we do approve this piece of legislation today - be prepared to review, to improve, to change certain fundamental aspects of that piece of legislation in the future. We are prepared to contribute, but I think experts, including lawyers but also trade unions should be given - after this debate today, even if we approve the Bill - a chance to contribute. I know that I often make the suggestion that a Select Committee of the House could sit, but this is how we should work. A Select Committee of the House on different subjects, especially such complex and specialised issues should be the order of the day instead of the exception. We should not adopt the attitude of "*ah, again a select committee!*" No! On issues like that, even if we do approve this Insolvency Bill today with its six pages of amendments, it will need to be further improved, to be changed in fundamental aspects to fully take on board the international financial and economic crisis and to extract this bias in favour of banks and not in favour of employees and SMEs.

Thank you, Mr Speaker, Sir.

At this stage, the Deputy Speaker took the Chair

(6.10 p.m.)

Mrs F. Jeewa-Daureeawoo (Third Member for Stanley & Rose Hill): Mr Deputy Speaker, Sir, we are, today, in presence of an important Bill which is to reform the law relating

to the insolvency of individuals and companies. I have gone through the Bill several times and, believe me, it is very technical and it is indeed a very comprehensive piece of legislation.

The Bill surely introduces a single modern legislation dealing with bankruptcy and insolvency laws under winding up of companies. As it is now, the winding up of companies form part of the Companies Act 1984; the Bankruptcy Act 1880 deals with the insolvency of individual traders and the Insolvency Act of 1982 deals with individual non-traders.

The World Bank came to the conclusion that new laws have to be drafted to replace the existing ones; and it is good that, today, provisions are before this Assembly to consolidate both the Bankruptcy and the Insolvency laws. For a long time, Mr Deputy Speaker, Sir, there has been talk in the legal profession about the need to reform the Bankruptcy and Insolvency Acts. There has been talk also on the need for a rapid, fair and just procedure to deal with commercial matters.

I would here seize the opportunity to pay tribute to the Commercial Division of the Supreme Court which is functioning smoothly. Since the opening of this particular court in January this year, which has sat for only 11 weeks, 247 commercial matters have already been disposed of. Now, commercial cases are being lodged and heard within a delay of six months instead of years. I do hope that with time we would have a proper and separate Commercial Court.

This Bill, Mr Deputy Speaker, Sir, is full of good intentions. Among the consequential amendments, I refer to clause 414 of the Bill, where at paragraph 4, the sale of immovable property is amended by repealing section 124. The present Bill also replaces Section 2902 of the Companies Act by an administrator. This fits in the spirit of bringing in the administration of a company in difficulty instead of an outright winding up and this is a very good initiative. The Bill provides for alternative to bankruptcy as exists in insurance field. We have here the introduction of voluntary administration of companies. Alternative to bankruptcy surely will give opportunity to companies to salvage their business as much as they can or if it is not possible for the company or its business to continue existing, it would result in a better return for the company's creditors and shareholders. However, one of the negative aspects of the present legal framework is the absence of corporate rehabilitation; and it is good that quick and easy access to the process of rehabilitation is provided here in this present Bill. When there is a voluntary administration, the directors are not removed from their posts, but they can still exercise their function with the written approval of the administrator.

Mr Deputy Speaker, Sir, let me now come to one clause which is very disturbing, and it is the preferential claims. The priority list preferential claims provide for amount due to Government and its agencies, mainly the MRA, the Registrar-General and a Local Authority. They are to be paid before consideration of claims by employees. In the same clause, at paragraph 3 subclause 2 when the legislator deals with wages to be paid to any employee of the debtor, consideration is being given to one month. This brings me to the existing law in our Code Civil which provides at Article 2148, I quote –

“Les rémunérations de toute nature dûes aux salariés et apprentis pour les 120 derniers jours de travail.”

The preferential claim in the present Bill is indeed of serious thought. The present clause provides that employees are paid only one month of salary after paying the claims due to Government and its agencies.

Mr Deputy Speaker, Sir, in these hard days where we forecast that there will be an impact of the world depression - and here, I am careful not to use the word recession - although being a layman in Economics, it is difficult for me to understand the experts who believe that we are facing an economic depression and not by the passing of the present Bill to better protect the employee. Since hard days are predicted for employees who may overnight find themselves out of a job, perhaps the order of preferential claim must be given serious thought so that employees' claims are satisfied before those of the MRA or of a lesser degree the Registrar-General or a Local Authority.

We have to be cautious when it comes to the protection of employees in hard times, not only because of the human tragedy that results from it, but also on the spiral effect that it may have. Let me explain. An employee who is satisfied with his claim can provide his family with the basic necessities of life and continue paying his monthly instalment of a loan contracted, if any. In this way, at least he can have some money to rely on until he sets his feet back on the ground after a '*licenciement*' and adjusts himself. An employee, losing his job because of an insolvent employer and finding himself without a cent is, Mr Deputy Speaker, Sir, very hard. An employee who cannot meet his immediate financial commitment in turn would involve a negative impact on his creditors who may not necessarily be a bank or any financial institution, but small traders who could themselves be the victims of insolvency.

Therefore, an employee should have a preferential ranking in respect of certain insolvency claims for wages and other sums due under the contract of employment or arising from its termination. For example, in Italy, the privilege of employees ranks above all other creditors. Does the hon. Vice-Prime Minister really think that the preferential claims as it is now in this present Bill will be to the advantage of the *ti-dimoune*?

Regarding insolvent individuals, majority of borrowers repay their debts and never have any problems. The unfortunate cases include those who run into problem because they have lost their job or because some physical disability and they can no longer earn a salary. What will the creditor do? He will surely apply to clauses of the loan contract by capitalising the interests and or penalty interests which, in turn, makes matters worse for the borrower. The borrower will try to his best ability to make part payments and when he can no longer pay, the creditors will sue the matter before Court. At the end of the day, what happens is that the interest on the loan goes on increasing whereby the debtor owes very much than he did. His property is then sold for a lesser value than the market value. Mr Deputy Speaker, Sir, is it not time to review the rate of interest and/or charges? In most cases, the interests are too high, and the debtors find themselves in a real ghetto. The high interest claims, especially compound interests, really inflates the liability of a debtor.

Another important matter, Mr Deputy Speaker, Sir, is where the title in virtue of which the seizure is effected on a fixed or floating charge, the financial institution may proceed directly with the power to seize. Again, do you not think that it is high time to review the power to seize and leave it in the hands of the Court?

Another important aspect, which is not in the Bill and upon which we can ponder, is the mediation session. Powers should be conferred to the Court to impose mandatory mediation, especially when it concerns insolvent individuals. In my opinion, all proceedings should first go for mediation so as to avoid people losing their properties or assets. This rule, Mr Deputy Speaker, Sir, exists in other countries. For example, in the Malawi Commercial Court, the mediation system does help a lot. Powers are given to the Judge and, at any stage of the mediation proceedings, proposals for the settlement of the debts are discussed.

In the present Bill, that is, the Insolvency Bill, I think that including mediation proceedings session would do a lot of justice to insolvent individuals. Mediation sessions are important, especially in cases where the creator recovers the capital amount claimed. With mediation sessions, the interests claimed can be written off wholly or, if possible, partly, so as to relieve the insolvent individual.

Mr Speaker, Sir, before I end, I would like to make a last suggestion and/or proposal. Why not create a Public Fund? A Public Fund to meet certain insolvency claims for employees, for wages and other sums due under the contract of employment or arising out of its termination. If the Public Fund pays the employee, of course, it is subrogated in the right of the employee.

Mr Speaker, Sir, I have done. The present Bill is a step forward. Sure, we are moving from one era to another, but I do hope that necessary amendments would be brought in the future, so as to improve the present Bill which is before the Assembly today.

Thank you.

(6.15 p.m)

Mr J. Cuttaree (Second Member for Stanley & Rose Hill): Mr Deputy Speaker, Sir, when I was standing up, my friend, hon. Ganoo, whispered to me that he had just been thinking about Shylock. After having listened to both the hon. Leader of the Opposition and hon. Mrs Daureeawoo, I think there is a sort of agreement that this Bill does not take care enough of the victims - if I may use this word - of bankruptcy. Why do I say that? It's because we should start by asking ourselves the question. What should the law on insolvency aim at? The law or any legislation must accommodate a range of interests: the interests of the creditors, the debtors, the employees, the guarantors of debts, and the suppliers of goods and services.

Mr Deputy Speaker, Sir, any legislation must strike a balance between the different interests of all the stakeholders. This is why I agree entirely with the hon. Leader of the Opposition when he said that this legislation is for the creditors, for the banks, as against the interests of the more vulnerable stakeholders - I mention only individuals and the small and medium enterprises.

My friend, hon. Alan Ganoo, was just reminding me that bankruptcy legislation started for the protection of individuals; protection of companies came later. Now, it seems that what we have done is *inverser* the priorities.

Mr Deputy Speaker, Sir, we are now in the midst of a global financial crisis. Malpractices and cutthroat competition in the corporate sector have led to major upheavals and in which, unfortunately - I think we all agree with that - workers' rights are being treated as rather a superfluous concern that can be sacrificed as per convenience. This is why I said, Mr Deputy Speaker, Sir, that any legislation should ensure that workers are insulated from the worse effects of bankruptcy, at least, in the protection of their basic dues. I would say, like the hon. Leader of the Opposition and to some extent hon. Mrs Daureeawoo, that this aspect is completely ignored in this Bill. In the face of this unprecedented economic crisis, Mr Deputy Speaker, Sir, our duty as a nation, and the duty of the Government is to protect our genuine companies and individuals against bankruptcy. But, unfortunately - I repeat it - the provisions of this Bill are unfairly loaded in favour of creditors. Let the hon. Minister not tell me that the main provision has been like this before and why are we now saying all this; and as the hon. Leader of the Opposition says, the situation has changed dramatically from what it was some time back. We are now in the middle of an unprecedented economic crisis. Although the hon. Minister of Finance is trying to heckle me, let me say to him that it was not I who said that this country was vaccinated against all these woes to which other countries were exposed.

Mr Deputy Speaker, Sir, this is why I say that in the present juncture, there should be equity and fairness in the provisions of the legislation. Mr Deputy Speaker, Sir, if one looks at the provisions - maybe I am anticipating, I don't know - in the law, Bankruptcy and alternatives -

“(...) the Court shall not make a Bankruptcy Order on the petition of a secured creditor, unless the creditor has established that the amount of the debt exceeds the value of the security claimed by the creditor by, at least, Rs50,000.”

Let us take the case of a small planter or a fisherman. If there is a cyclone, he loses everything; he has assets, but then if the debt which he has at the bank is more than what he has left as assets than Rs50,000, he is made bankrupt or he can be made bankrupt. If one realises the consequences of bankruptcy, I think that this measure, in fact, shows how this legislation is looking at the wrong side of the coin, Mr Deputy Speaker, Sir, because, as I said before, and I repeat it, the legislation should, before anything else, protect the debtors, the workers and the small traders. Now, how do we do that in Mauritius? When a company is liquidated under the supervision of the Court, there is a proper monitoring; and many alternatives are open to the Court. I am not going to repeat what the hon. Minister said. However, a practice has developed for banks to take floating charges all over the assets of the borrower. Everyone knows that. And what happens when such a debtor fails to pay his debts? The practice, Mr Deputy Speaker, Sir, we all know, is for the creditor, especially the banks, to appoint a receiver who takes control of all the assets of the debtor; and this receiver has all the powers to dispose of all the assets of the company without the court supervision and thus terminates the existence of the company. This procedure, in fact, leads to abuse as the priority for the creditor is the closure of the company and the disposal of the assets to realise their debts - if I may use this word.

Mr Deputy Speaker, Sir, all that we see, for example - the Minister of Labour is here - we find workers going to work, and then they find that the factory has closed down overnight and they have no remedy and they don't know to whom to turn. This is the scourge of this country, Mr Deputy Speaker, Sir, and we all know about this; and this situation is going to become worse, I think, in the coming months, Mr Deputy Speaker, Sir. Therefore, I believe that this provision should be amended so that only courts should appoint receivers, because then these receivers will act under the supervision of the court, which can propose solutions to save the company as a going concern. The hon. Minister has talked about how this can be done by the Board, but if you bring all the receivers under the supervision of the court, then you go along to a certain way to protect the debtor or the owner of the company, however way you want to talk about it. Let me now come, Mr Deputy Speaker, Sir, on the rights of the workers under this Bill. It is maybe interesting to note that these provisions for the workers appear in a schedule. Maybe there is a reason for that or maybe it is normal, but I find it very symptomatic. And what do we have, Mr Deputy Speaker, Sir? Priority of payments, one is cost of liquidator. And if you go into all these paragraphs, you'll find that one of the costs which are vulgarised there, the reasonable cost of a person who applied to the Court for adjudication in the case of bankruptcy and so on and so forth. And then the second is amounts due to Government and its agencies. Hon. Mrs Jeewa-Daureeawoo mentioned that and, thirdly, the wages or salaries due to employees. This is wages and salaries. These people have actually worked. They have provided service. They have produced at the level of this company, but their interest comes after that of the liquidator, but after that of Government, MRA...

(Interruptions)

Of course, if you want to change it, it is normal! You will have the creditors, the banks. They will take position and make all types of arguments with you, saying that you cannot do this, you cannot do that, this is going to happen, no one is going to get any credit. All these are arguments. But a Government is not led by the banks. A Government leads in the interests of the people. And, as hon. Mrs Jeewa-Daureeawoo said, this is something which exists. The top priority exists in many countries, including a country like Italy. I can't understand why the Minister says he wanted to do it, but then he didn't do it because he says that it is his business. Maybe, this is the difference between him and me. Mr Deputy Speaker, Sir, this thing is worse. After he puts that as the third priority, he says that the maximum amount that may be paid to any one employee - Mr Deputy Speaker, Sir, can you believe that - is Rs30,000. Suppose somebody is working as a Manager, he earns Rs50,000 and the company goes bankrupt. Do you limit the dues at Rs30,000? Where is the logic? If the person has worked, he should be paid. If the company goes into liquidation, you sell the assets, but he should be paid what his due is. It is not the MRA, the Local Authority or the bills for water and sewerage that get priority over workers. Mr Deputy Speaker, Sir, this is where we are going.

Mr Deputy Speaker, Sir, I said that there is an international crisis and things have to be done differently. Hopefully, this international crisis is not going to be with us forever, maybe one or two years. Therefore, Mr Deputy Speaker, Sir, as you know, some countries are actually going through hard times and some countries, especially, for example, in Latin America, have in the past, gone through bad times. Therefore, this is a period when the Government, the legislator should take special measures to protect the vulnerable groups against the worst effects of the

crisis. This is why I want to remind the hon. Minister that some countries, when going through hard times, may and have enacted temporary insolvency laws or amendments to existing legislation to protect debtors who otherwise will be bankrupt. Why do they do that? Because there is a big danger that once you have one bankrupt, there could be a domino effect to the whole of the economy, Mr Deputy Speaker, Sir. And if you want to have a temporary legislation to protect these people, what should be the characteristic of this temporary legislation? Normally, it should be within a period of time. Let's say two years if we think that the crisis is going to be over then. And then they should be debtor-friendly. As we all know, some scholars - those who have written about insolvency - have qualified insolvency laws as two types: debtor-friendly as against creditor-friendly. Unfortunately, in this particular case, I repeat it, this legislation is creditor-friendly. For example, in the US Chapter XI, we all know about it. It is, to a certain extent, a debtor-friendly piece of legislation. This is the home of capitalism and you have legislation which is debtor-friendly as it allows the debtor to get out of these problems. This should be, to me, the main objective of legislation in this difficult period. I repeat it - the legislation should have provisions to give a chance to the debtor to get out of these problems.

Mr Deputy Speaker, Sir, I say it again - temporary legislation. This has happened in Argentina in 2002 and in other places also in Latin America and this has helped these countries to get over the worst effects of their crisis, Mr Deputy Speaker, Sir.

As I said, there is a reason also as to why you need to have a temporary legislation because if you are not careful, this temporary legislation may work against the interest of small and medium enterprises. We know that there might be requests for special guarantees, all these things have happened before. But what I am saying is that if you have a temporary piece of legislation and people know that this legislation is temporary - and everyone wants to play the game - there should be a move on the part of financial institutions - I talk about banks - to bail out companies which are in difficulties. They can bail them out with the financing; there can be restructuring; all these things can be done without any threat from the creditor who is a secured creditor with a floating charge. He can go and put the company into bankruptcy.

Mr Deputy Speaker, Sir, as I said before, the law should balance the interests of all stakeholders. Therefore, we should have a sound judicial system to regulate insolvencies in Mauritius; and here the courts play a very important role. How does this Bill describe the court? It describes the court as the Bankruptcy Division of the Supreme Court.

Mr Deputy Speaker, Sir, all lawyers who are practising know that today all commercial matters in Mauritius are not heard by the Bankruptcy Court. They are heard before, what is called, a Commercial Court. In fact, Mr Deputy Speaker, Sir, the Commercial Court is a legal fiction. It has no legal existence and what has been done, if I can say that, is to take a building - the Attorney-General knows what building I am talking about - call it the Commercial Court and put it on that building. And then what do you have? You have a Judge of the Supreme Court who sits. This has been done for purposes of getting things done quickly. Do you know what has been the result, Mr Deputy Speaker, Sir? There, if you can pay, you pay. If you cannot, there is liquidation and sale of assets. There is no study done in order to ensure restructuring or rehabilitation as provided for in this Bill. In this situation, the biggest victims are the small and medium enterprises.

In fact, provision - what is happening today - is a process which aims at dispossessing small people of their assets. And I ask the question: can we allow this to happen here?

On the one hand, there is no protection of workers' rights; on the other hand, the judicial process leads to the spoliation of the property of vulnerable people. Is this what the Government wants? If it does so, then go ahead, if not, have a fresh look at this Bill as it is the social fabric of our country which is at stake.

Thank you, Mr Deputy Speaker, Sir.

(6.40 p.m.)

The Minister of Labour, Industrial Relations and Employment (Mr F. Chaumière):
Mr Deputy Speaker, Sir, thank you for giving me the opportunity to intervene on this Insolvency Bill which is before us today.

Three things, Mr Deputy Speaker, Sir. First, we should know what the situation is today before we expatiate on the Bill itself. And as the hon. Deputy Leader of the MMM, hon. Jayen Cuttaree, himself has said, when we want to cure a disease, we should at the same time strike the right balance. If the balance tilts too much in one direction or another, then, we are sure to have problems.

Mr Deputy Speaker, Sir, we know the situation as it is. We have had examples in the past and now also, when we are in presence of an enterprise whereby there are insolvency problems, a receiver managers being appointed. He comes in, gives notice to the employees for termination and finally realizes the asset of the company. Whereas today, Mr Deputy Speaker, Sir, this Bill is giving the opportunity to individuals facing insolvency to be provided procedures for work, and for administration, giving the company, as the law itself says, Clause 213 of the Bill, opportunity as much as possible for it to continue its business, for it to continue existence. If this is not an improvement, what it is then, Mr Deputy Speaker, Sir? And, secondly, Mr Deputy Speaker, Sir, the situation in Mauritius - even if this morning I said it, and we all know, that we are facing international financial and economic crisis - is different from the United States. Banks in our country have not been involved in the toxic papers, for example, and, thirdly, even if we have the best intentions, *l'enfer est souvent pavé de bonnes intentions*. Ideally, Mr Deputy Speaker, Sir, we want to have a Bill which is debtor-friendly, we should be cautious about unintended consequences because banks are not charitable institutions. Who are going to suffer if companies are not being able to get funds from the banks if we are too far in one direction? Instead of protecting them, we make them become more vulnerable, Mr Deputy Speaker, Sir. So we create more problems to those people whom we want to protect.

Mr Deputy Speaker, Sir, there are lots of improvements in the Bill itself as I said. Maybe, all of us here remember the Enron case in the United States, and the cataclysmic downfall thereof. Clause 364 under Part VI of the Bill recognizes the cross border insolvency, and puts forward the recognition of the model law on cross border insolvency which was adopted by the United Nations Commission on International Trade Law, as the hon. Minister of Finance just said, and as it was approved by the General Assembly of the UN on 15 December 1977.

Mr Deputy Speaker, Sir, this new provision is mostly relevant in the global business, whereby the insolvency of the major group - I was just talking about Enron - could have been another major company, say, in the US, may affect its subsidiaries in Mauritius and by incorporating provisions that recognise international processes, Mauritius is adding to its credibility as an International Financial Services Centre. Regarding the necessity to have a public register of bankrupts in section 378 and the Ninth Schedule, we have to see what the situation was before and what it is now. This is a very efficient tool, Mr Deputy Speaker, Sir, as you have certain people who keep on setting up companies with a view to defraud creditors on an ongoing basis, Mr Deputy Speaker, Sir. Creditors might be small investors and it helps to have a sort of list of defaulting directors with view to protect the community. Even if sometimes there would not be any evidence of dishonesty on the part of the director or the latter was not in any way dishonest, still if he has had a long history of business failures, and he has thereby demonstrated his incompetence, the community should be protected.

Mr Deputy Speaker, Sir, there is the creation of a new profession which is the IP, the Insolvency Practitioners, which is regulated in section 374, which creates a profession of Insolvency Practitioners. It must be said that the conduct and the performance of the IPs are going to be reviewed by the Director of Insolvency Services. It's going to be under the close scrutiny of the Director of Insolvency Services, and there are clear conditions under which the IP has to operate.

Mr Deputy Speaker, Sir, let me come now to the question of priority of payments to preferential creditors. This morning, in the course of the PNQ, I had given evidence that, in the past, workers were disadvantaged thereby no one has dared to come with a solution for that. We are coming with one now, as we are bringing the wages and salaries from the tenth position to the third position, Mr Deputy Speaker, Sir.

Mr Deputy Speaker, Sir, it has not been very easy, believe me! Hon. Dr. Bunwaree who was then Minister of Labour can tell you that we have been fighting very hard to have the workers coming to the third position. We have had consultations with the company's division. We are giving more weight to the dues of the workers, Mr Deputy Speaker, Sir, as experience has shown that this category of creditors has been the debt losers in most of the cases we have had before from 2000 to 2005. This morning, some people were asking about names. Let me give some names of enterprises, and what happened. In the case of Bentley where 235 workers were involved, there were cases in Court; judgments were pronounced in favour of the workers for more than Rs5 m. There was not a single cent for the workers. Same thing for Bourgeon Garments, where 105 workers were involved. There were cases in Court; judgment was pronounced in favour of the workers to the tune of Rs2 m. There was not a single cent for the workers. Again, there is the case of Century Knitwear where 138 workers were involved with Rs2 m. That's very good, but it's academic judgment, and there was not a single cent for the workers Mr Deputy Speaker, Sir. As for Corotex, the case is still in court, for such a long time. Mr Deputy Speaker, Sir, according to the existing ranking of creditors' claims in liquidation, wages for the last 122 days including compensation for termination paid, less advances made to the employers according to Articles 2148 and 2152 of the Civil Code, rank *pari-pasu* at the tenth position will first rank fixed and floating charges, inscribed for more than three years according to Article 2202-5 of Civil Code. Besides, wages for the last six months, after deduction of

amount paid above, ranked at the 13th position. In a recent past, because of the ranking of the workers' claim at the tenth position, workers of a company who had lost their jobs, have not received a single cent after the realisation of the asset of the company. Mr Deputy Speaker, Sir, in line with the coming into operation of the Employment Rights Act 2008, and with a view to better protect the employees, it is this caring Government which is coming with a law in favour of the workers in the Insolvency Bill. Clause 328 of the Insolvency Bill provides that –

“ (1) The Official Receiver or a liquidator shall pay, out of the money received by him by the realisation of the property of a debtor, the preferential claims set out in the Fourth Schedule in the order of priority specified in the Schedule.”

In the priority of payment to preferential creditors, let it be said, Mr Deputy Speaker, Sir, that wages and salaries due to employees, I repeat, will be ranked at the third position instead of the tenth position, as is presently the case, Mr Deputy Speaker, Sir. All the wages of any employee, which is subject to a maximum of Rs30,000 or such other sum as may be prescribed, whether payable for time or piecework in respect of services provided to debtors during the period of one month before the commencement of the adjudication will thus be ranked at the third position.

Mr Deputy Speaker, Sir, clause 329 of the Bill also provides that, after paying the preferential claims to all the creditors, the remaining money shall be equally distributed to all the creditors at the same rank. Mr Deputy Speaker, Sir, I really think that there is a wonderful progress for the employees of this country. The new Act creates certainty as regards the ranking of preferential creditors.

To conclude, I must say Mr Deputy Speaker, Sir, that this Bill creates a major breakthrough; that wages and salaries now rank even before the secured creditors as per the Fourth Schedule of this Bill. I think that the combination of the new legislation and this new reality for the workers, this Government is definitely protecting the workers of this country.

Thank you Mr Deputy Speaker, Sir.

At this stage, Mr Speaker took the Chair.

(6.56 p.m)

Mr P. Jugnauth (First Member for Quartier Militaire & Moka): Mr Speaker, Sir, I am very pleased on the very day of my comeback in this August Assembly, after my election in the constituency of Quartier Militaire-Moka, I'm getting the opportunity to speak on such a major piece of legislation as the Insolvency Bill. Be it a mere coincidence or the visible hand of the almighty as some may say, but the fact remains that the preparation of the Insolvency Bill was one of the last pieces of legislation in which I was involved in my capacity as Deputy Prime Minister and Minister of Finance before the dissolution of the National Assembly in April 2005. Nearly four years after, it is the Insolvency Bill that is on the agenda of the National Assembly for my return. What a pleasant happening indeed!

Mr Speaker, Sir as I am fully aware of the complexity of the issues involved in insolvency matters and the difficulties encountered by insolvency practitioners, I am happy that this legislative reform being proposed is far reaching and is also in line with international best practices. I still remember, Mr Speaker, Sir, at that time, a Steering Committee on insolvency and creditor rights was established in January 2003 to review and assess the insolvency and creditor rights system; and with the assistance of the World Bank, as has been rightly pointed out by the Vice-Prime Minister, a report on the observance of standards and codes for insolvency and creditor rights system for Mauritius was, in fact, published in March 2004, and amongst others, the report on the observance of standards and codes recommended that the preparation of a comprehensive insolvency legislation should include both individual bankruptcy and corporate insolvency. In March 2004, the Steering Committee, in fact, was assigned the responsibility to prepare new insolvency legislation for Mauritius. And here, I wish to state what were the objectives that were set out at that time. The first one was to undertake a global reform of insolvency procedures to align with international best practices; second, to develop effective credit and corporate recovery systems that mitigate the impact of corporate financial distress and insolvency; third, to foster commercial confidence and fourth, to encourage a sound credit culture and investment. In fact, it was Professor McKenzie, again as was pointed out by the Vice-Prime Minister, who worked on the new Companies Act. He was asked by the then Government to work on the new insolvency legislation which he did in fact, and a draft insolvency legislation was even circulated in Cabinet in the early 2005; and a big chunk of the job was already completed at that time and this, in fact, needs to be highlighted today.

Having now put the records straight, I am satisfied, Mr Speaker, Sir, that the Insolvency Bill which is before the House today is, in fact, a comprehensive one as it brings along all insolvencies matters under the ambit of one legislation. And, moreover, the Bill has the necessary legislative muscle to attain the objectives which were set out then by the then Government. I note that due attention has been given to practical problems that are encountered by insolvency professionals in their discharge of their normal functions. I also note that the Bill contains key elements that will govern the restructuring of enterprises which might be required to steer away from the shocks resulting from the current international financial crisis. However, Mr Speaker, Sir, I have some observations to make by way of suggestions to further enhance the effectiveness and fairness of the proposed legislation. As we all know, time has gone by and I think it would be befitting for this legislation also to adapt with today's reality. Mr Speaker, Sir, corporate insolvencies are presently regulated in Mauritius by the provisions of the Companies Act of 1984, and insolvencies of individual traders are dealt with by the Bankruptcy Ordinance 1888 and insolvencies of individual non-traders are catered for by the Insolvency Act of 1982, essentially the Insolvency Ordinance of 1856. As the law of insolvency currently stands, there is often overlapping between individuals and corporate regimes and after the enactment of the proposed legislation, a post corporate and individual regimes will be dealt with separately but efficiently through a single comprehensive and concise regime.

Mr Speaker, Sir, as the law stands now, under the present Bankruptcy Act, a bankruptcy application may be made by a creditor if a debtor is indebted to him for a sum exceeding Rs3,000. That means that an individual can be declared bankrupt if he or she owes a sum exceeding nearly Rs3,000. Now, this is definitely unfair in the society that we live in today. Although the ceiling is being increased to Rs50,000 in the proposed legislation, I still believe

that the element of unfairness will prevail, especially for small businesses and households that can be devastating. Declaring someone who owes Rs50,000 as bankrupt in present times, to me, is ridiculous and equates to condemning that individual outright, the more so when we see at clause 21 section 6 of the Bill which says that where a debtor is adjudged bankrupt, he shall subject to this Act be disqualified from being elected to any public office. That is, in fact, giving practically no chance to an individual declared bankrupt to overcome his financial crisis. I only suggest, Mr Speaker, Sir, that the ceiling for individual bankruptcy be further increased to Rs100,000, which I believe will be fairer and more reasonable, taking into account, in fact, the present level of socio-economic development in Mauritius and correct realities also with regard to businesses and households.

May I just note, *en passant*, that in Singapore the ceiling for a person to be declared bankrupt is 10,000 Singaporean dollars, that is, nearly Rs250,000; but, of course, Mauritius is not Singapore, we have not reached the same level of economic activity as in Singapore, but I consider that Rs100,000 would be fair. The hon. Minister might say that, under the proposed legislation, bankrupts would be automatically discharged after the expiration of the statutory period of three years from the date of the adjudication of the bankruptcy in line with the practice in modern Bankruptcy Act. Now, although this provision again looks positive and reassuring, the fact remains that any creditor or official receiver may lodge with the Court an objection to the bankrupts discharge and the nightmare might well go on beyond the three years. But I nevertheless note with interest, Mr Speaker, Sir, that a critical change is being proposed with the Bill providing for an initial judgement debt to exist before adjudication may take place. Now, under the existing law most sums of money claimed by a creditor are provable debts and a creditor may issue a bankruptcy notice in relation to any provable debt. With the proposed legislation, in fact, it will be necessary to have an initial Court judgment before a bankruptcy notice can be issued. This implies that any dispute or litigation in a business must have been ruled over by a court of law which is a very good thing. And this will definitely bring fairness to individuals and debtors and it will provide also an efficient way of dealing with fraudulent and dishonest creditors. Therefore, it is, in fact, advancement to the system that is worth mentioning. Furthermore, this is an efficient system also to prevent the abuse of the Court's process by certain creditors who only try to put undue pressure on debtors by just using bankruptcy forum to adjudicate on hotly disputed claims.

Another positive provision of the Bill, Mr Speaker, Sir, is the period that is provided to comply with a bankruptcy notice. Currently, it is seven days which is very short indeed and I consider again it used to be very unfair and unreasonable, the more so when the debtor or the business finds himself under financial constraints. Under the new legislation, it is proposed to bring it to 14 days for an individual debtor and one month for a company. This will definitely give more time to individual debtors and insolvent companies, of course, to sort out their assets, to reorganise their estates and property and, if possible, to set out the business afloat and running again. However, I would again propose that the delay of 14 days that concerns an individual be extended to 25 days, so that the right of a debtor to appeal on the judgment debt has also lapsed and will also provide for smooth running of the adjudication process rather than having the petition stayed if ever there is an appeal. Another good thing is that the proposed legislation makes provisions for alternatives to bankruptcy which do not exist under the current legislation. And under the proposed provisions insolvent individuals may have a better opportunity to pursue

their business for a longer period of time. However, much would depend on the consent and approval of the banks and creditors likely to be affected by insolvency. The present Bankruptcy Act provides for a procedure for composition with creditors after the making of receiving order and also after appointment of a trustee. It does not provide any procedure prior to bankruptcy or rehabilitation of any financial position of the insolvent individual which provides, in fact, for their financial affairs to be administered by the benefit of creditors. Provisions of this kind are available in most jurisdictions. They are not often used but can, in some cases, and particularly in cases of partnership or where the debtor is carrying on business as a sole trader, provide a means of continuing the debtor's trading activities under the supervision of the financial administrator. The Bill provides for a composition to be entered during bankruptcy. Mr Speaker, Sir, behind bankruptcies lie individuals, families, workers, corporate and societal tragedies. And I am of the opinion that emphasis should also be laid on information and assistance to avoid such tragedies as far as possible. And I see that the proposed insolvency service within the office of the Registrar of Companies will only be assigned the responsibility of keeping under review the law and practice relating to insolvency and ensure overall monitoring on insolvency matters. I would invite the hon. Minister to additionally assign to this service the responsibility of dispensing advice and provide assistance to all debtors on ways to avoid bankruptcy. This is the most important part. Everybody, I am sure, does not want the individual or the company to go bankrupt, especially, individuals. On dispensing information, advice and counselling, I think it is important to sensitise people generally. I think we have a very good example in Singapore. The Insolvency and Public Trustee's Office is vested with such responsibilities and a Government body also provides debtors and creditors with mediation services in appropriate cases. I have also gone through the work of that body just to be informed of what has happened, if there have been cases where they had achieved the objectives that were set out and I see that they have certainly been able to make people alert about cases where they would have ended up being insolvent. I hope this suggestion is retained and this unit at the Registrar would be very appropriate for counselling.

Another point which I wish to raise, Mr Speaker, Sir, is the issue of property of the bankrupt's spouse. Section 55 (1) of the Bankruptcy Act provides, and I read it –

“Notwithstanding any other enactment, in all marriages and in cases of judicial separation, unless the contrary is proved, it is presumed that all property acquired by the bankrupt's spouse is the property of the bankrupt and that it was paid for with his money and forms part of his assets.”

And subsection 2 –

“Where the bankrupt's spouse has paid any of the bankrupt's debt it shall be presumed, until the contrary is proved, that he did so with the bankrupt's money.”

Again, these provisions have been removed in England and in a number of English-based jurisdictions as it was thought that they are no longer socially appropriate. In Mauritius also it can no longer generally be assumed that only one member of the household, one spouse or one marriage partner, if we can say so, will be a significant earner and any spousal property that has therefore been acquired with funds provided by that party. Now, on this particular issue, I believe

there is a shortcoming in the proposed legislation because in our society nowadays spouses enjoy the same rights and the same status be it professionally, socially and financially and it is believed that both should be given the rights and powers to acquire, administer and dispose of their assets separately and independently of each other if they so wish. And at a time when we are insisting on the elimination of discrimination between men and women and emphasising on the equal opportunities legislation, I am of the view that an appropriate amendment would be most welcome.

Let me come to Receiver Managers' and Liquidators' duties and powers, Mr Speaker, Sir. In the proposed legislation, this is very precise and comprehensive. This is, definitely, a very good thing and it will encourage more professionalism, more efficiency and accountability. The amount of legal responsibility which is placed on the Official Receiver when carrying out his duties under the current Act, and in view of the complexity and technicality of insolvency issues, I will suggest that the Official Receiver be a qualified barrister with, at least, more than five years' standing. And I note that at clause 184 (2) it is stipulated that –

“A body corporate shall not be appointed or act as a receiver.”

Although this section is very clear, we all know what is the practice in Mauritius and what is the situation when we have a Receiver Manager and liquidator who are more often than not linked with corporates and accountancy firms. We know that such Receivers Manager or liquidators - I will not say all of them, but some of them - tend to favour the acquisition of bankrupt enterprises by their associates in those corporates to which they are obviously linked or associated. I believe that there should be also, at this level, a very close monitoring to ensure that debtors' or creditors' interests are fully protected, and that there is no abuse or collusion between the Receiver Manager or the liquidator and those who acquire those bankrupt business. I think the parallel has already been made with the cases of sale by levy and the tragedy of some people. Again, I will say all of them, because I, myself, have been practising, and I have been handling briefs where we can clearly conclude, although we don't have enough evidence, that there has been some kind of collusion. Reassuringly, I take stock that the Court may inquire into the conduct of liquidators and may give directions in relation to any matter arising in connection with the liquidation of accounts, examine the remuneration of liquidators and make other orders.

In the same vein, Mr Speaker, Sir, I notice another shortcoming in the proposed legislation. There is not even mention of what is called deepening insolvencies, because Bankruptcy Courts abroad increasingly recognise the doctrine of deepening insolvency, whether as an independent cause of action or as a measure of damages. Under this doctrine, a bankrupt company or its representative may recover damages caused by an expanding list of third parties, including - and I would say mainly - officers and directors, accountants, financial advisers and other professionals, and even lending institutions. Sometimes, there is a way of trying to mismanage or control the debtor or misrepresent the debtors' financial condition, such that the company's existence itself is artificially extended to the detriment of the creditors.

Currently, there are three groups that have been the target of deepening insolvency claims. In fact, there have been officers and directors who took action that may be construed as prolonging the life of the business to the creditors' detriment; second, the secured lenders who

may have exerted control over a failing business, while extending additional financing or obtaining additional security, and third, professionals who advise the business and whose actions could be seen as allowing the business to continue to the creditors' detriment. The allegations against officers and directors are typically based on assertions that the officer or director breached its fiduciary duty by taking action, such as borrowing additional funds or concealing information that did nothing more than deepen the insolvency of the business. In fact, it is so detrimental that it reduces completely the value of the whole business that would otherwise have been available for creditors. As against accountants, auditors, and I must also say lawyers and other professionals, the allegations are typically based on assertions that the professionals have breached a duty of care, such that the professionals knew or should have known about the proposed course of action for a company, such as, additional borrowing that was detrimental to the business; therefore, the professional assisted or participated in deepening the insolvency of the business. These issues are very serious, and I believe they should be taken on board in the proposed insolvency legislation.

Mr Speaker, Sir, I appreciate that the doctrine of Relation-back existing under the current legislation would be repealed. The provisions of the law under the current legislation, whereby there were Acts of Bankruptcy prior to a receiving order was made, will fall under the concept of variable preferences. This would favour third parties who have acquired assets from the debtor in all good faith and, previously, even though the third party was in good faith, the trustee in bankruptcy would have taken over the title.

As regards priority of payments to creditors and other parties in bankruptcy cases, as listed in the Fifth Schedule in the proposed legislation, I will also join the criticisms made by hon. Mrs Jeewa-Daureeawoo - hon. Cuttaree also made the point. I note that the payment of taxes, value added tax, income tax, customs taxes and local authorities dues, etc., come before payment of salaries due to employees. I believe it should have been the other way round. In fact, priority should have been given to payment of salaries due to employees, because such an endeavour would have contributed in giving a better human touch to the proposed legislation, especially at this juncture. I have earlier mentioned workers' tragedy and hardship following the liquidation of an enterprise, and often several months of salaries are due to workers and they face misery. We should take into account such a situation, and, I believe, to give them priority of the payments that are effected following the liquidation process. Talking of the human touch, I am happy, Mr Speaker, Sir, that the proposed legislation excludes the adjudication of clothing, bedding, furniture, household equipment, tools, books and vehicles up to a maximum value of Rs100,000 that are necessary to satisfy the basic needs of the bankrupt and his or her family. I hope this provision will be able to spare tragedy to some families and some bankrupts, which we have recently witnessed; they have been just thrown out on the street without anything.

Let me come to the cross-border insolvency, where I see that provision and a very cautious approach regarding this cross-border insolvency has been reached. As at now, neither the Bankruptcy Act nor the Companies Act contain any provisions which are specially addressed to the problems which arise from cross-border insolvencies. In the absence of such provisions, any recognition by the Courts of Mauritius of insolvency adjudications, made outside Mauritius and to the extent to which the Courts in Mauritius will give effect to the order of Courts outside Mauritius will depend on the general and not always consistent and clear rules of private

international law. In fact, we all know the problem with countries' law provisions. Important issues also arise for Mauritius in this area because of the significance of global business today. We have to be in tune with the legislative developments worldwide in this field, and it is reassuring that the correct approach is being adopted. Likewise, I won't go into that, because I see the proposed legislation dealing with netting which is most welcome. I will also say that I have seen the number of amendments which have been circulated, Mr Speaker, Sir. In fact, there are 36 amending paragraphs with subparagraphs. Of course, it is impossible to be able to go through all those amendments. I take the Vice-Prime Minister's word for it that they are probably some of them are minor amendments, but it could be that some of them are not that minor amendments. We only have to take his word for it, but it is unfair, the more so that the hon. Leader of the Opposition has said that this legislation has been circulated long time before and, probably, it should have been circulated before to give us time to consider.

Mr Speaker, Sir, by way of conclusion, I would say that the proposed legislation is, in fact, a natural prolongation of the Companies Act of 2001. The proposed legislation is a well crafted one, although I believe that the amendments should be made to take on board the suggestions which I have just made together with the suggestion made by my colleague, hon. Mrs Jeewa-Daureeawoo. I have tried to be constructive in my approach in the interest of the country, and I wish that the Minister will, at least, give consideration to the points that I have made.

Thank you, Mr Speaker, Sir.

(7.29 p.m.)

Mr M. Dulloo (First Member for Grand'Baie & Poudre d'Or): Mr .Speaker, Sir, the question of insolvency is these days assuring very great importance, vital importance for the world at large, for individual countries, for businesses in general corporate or non corporate, for the individual, for the life of the citizens because the question of insolvency is haunting the nights of world leaders, directors, great financial banking institutions even those international institutions on which we have depended in order to bail us out in difficult times, Bretton Woods Institutions, for example, which now should be revisited because of the wave of insolvency *déferlant sur le monde entier*. So, the current turmoil in the global financial sector and also in most national economies whether developed countries, emerging economies, developing countries has resulted in unprecedented but warranted increased activities in the areas of restructuring, mergers and takeovers, bankruptcy, receivership and insolvency generally. We have seen insolvency of countries: Ireland, Iceland and so on. We have seen the threats on insolvency. We have seen about banks and financial institutions - international institutions generally, multinationals, international and global companies, SMEs and individuals. In Mauritius, we know the whole saga concerning the sale by levy. But even then, Mauritius is resilient enough but this doesn't mean that the Government should be complacent. Mauritius is resilient enough for many reasons. So, after looking at the global environment, the local environment, we try to see this legislation: how do we place this legislation in the international and local contexts and, at the same time, how this Bill can come to the rescue of the individual citizen of Mauritius in times of difficulties. Mauritius will be one of those countries that have been advocating for an economic resilient index in a world fora as compared to the per capita

index of the Briton Wood Institutions. And yet we are proud that we are one of those countries which are least affected, but this does not mean that we should do business as usual. This Insolvency Bill is just coming in its normal trend without, as the Leader of the Opposition has said, trying to fit it in the current economic crisis, in the current financial turmoil. If Mauritius has not been that threatened by the threats of insolvencies at various levels, it is because we have a strong local capital, strong local banking and financial institutions and, at the same time, we should admit that successive Governments have been able to ensure a reasonably judicial management of high economy. This would apply both to the public and private sectors. I remember that once the question of self-reliance came into issue in the 70s when we were going through the restructuration process with the World Bank, so on and so forth. Then when the question of self-reliance came into issue what was advocated was to strengthen the local capitalist, to strengthen the *bourgeoisie locale* as compared to the invaders from outside the *comprador*, that is, international companies and all that coming to take over our wealth. Who advocated that? The *aile gauche* of the MMM. But now more than ever this is important. I am very happy that this morning to a supplementary question, the hon. Minister of Finance proudly stated that our banks are still strong here in Mauritius, they are well capitalized and, therefore, they do not have those toxic assets and all that. This is very important. Fortunately, Mr Speaker, Sir, when we look back, in spite of the big scam that we know concerning the Mauritius Commercial Bank, the Government of the day in those days should be congratulated for that. The Central Bank, the Bank of Mauritius and the Government made sure that the MCB was not undermined. This is very important. We have seen foreign banks like the BCCI, the Delphis Union Bank going through these difficult financial crises and they had to be taken over. But our local bank be it the MCB, be it the State Bank have been able to withstand and now in times of difficulties, they are there to help and support us.

Mr Speaker, Sir, we have said and the Leader of the Opposition has said, we should try to place this Bill in the current global context. When the Companies Bill was being presented in this House we made this point very clear. From the bench of the Opposition, I intervened and I said how important the Insolvency Bill would be, but that was in 2001 and in 2007, when the Insurance Bill was being presented I was this time from the bench of Government. I fully agreed when it was stated that after the Insurance Bill we would be working on new legislation relating to insolvency, to international swaps and derivative agreements, to prime brokerage and to establishment of foundation as a vehicle for asset and wealth, planning and management. We were also working on a new legislative framework to promote real estate investment trust. The aim was to further improve the climate for doing business in Mauritius, to cater for a greater range of products and to make Mauritius a more competitive international financial centre. But, at the same time, the appeal was to both sides of the House. Concerning the Insolvency Bill, this was stated. Given the complexity of some pieces of legislation including the Insolvency Bill, we looked forward to the close collaboration of the industry, of independent professionals, of the Opposition so that we can work together in continually modernizing the framework for business. Unfortunately we cannot say that this exercise has been done in the context of this Bill. True it is, as pointed out by hon. Jugnauth, this Bill was being prepared by the previous Government at the beginning of its mandate, was being reviewed again at the end of its mandate; now the current Government has come, has worked on the various other legislation including this major one - the Insolvency Bill. We fully agree with what the hon. Minister said by way of introductory remarks that all these scattered legislation had to be brought under one umbrella and that we had to work

with international experts as it was mentioned just now; with the World Bank - of course it is still good to work with the World Bank in spite of their being put into question these days that they need to reform themselves and that there have been seminars that were held as far back as 2004. And I believe that once the Bill has been circulated the exercise should have been done again, that all the stakeholders especially the public in general because this Insolvency Bill will touch directly the householder, the individual, wage earner. It is very important that there should have been a lot of public debate on this Bill and try to situate it in the present global context of economic crisis. Much has been said about this Bill. I will just make general remarks because of time constraint and it's dinner time also - catering has not been done for dinner - so we carry on. What I am going to say will be of general remarks - I will not go on certain details to which I wanted to draw the attention of the House - about some of the technicalities of the Bill.

When the hon. Minister was talking about greater protection to employees and secured creditors, I would go along with what has been suggested earlier on, starting from the interventions of the Leader of Opposition, hon. Mrs Jeewa-Daureeawoo and hon. P. Jugnauth as well as hon. Cuttaree that we should have given greater priority to the salary of the workers. This is one of the weak spots of this legislation and, unfortunately, not only the unpaid salary because the hon. Minister has said that Government would not be claiming its full debt instead I think it would be limited for one year as per the Bill. But then, we believe that priority should be given to workers by all means and this is very important; it should have been one of the best signals in spite of all the controversies right now, in spite of the rejection of the Employment Rights Act by the whole working community of this country. This is a signal which would have been very important.

Mr Speaker, Sir, I will just say a few words about what should have been done to situate in the global context, because we see what is happening in the major economies, because we see Government interventions, regulatory developments and in the United States where everything started, where everything emerged, we know the emergency Economic Stabilization Act, their Troubled Asset Relief Programme and all that, how it is working and it is global and the various regulatory developments; because the potential impact of Government interventions especially in case of likelihood of insolvency and in case of adjudication for insolvency purposes we should be prepared and equipped for that and, in order to avoid insolvency, they are closing down. We know the famous cases of Fannie Mae and Freddie Mac and the conservatism of Government and this is very, very important at this time. And then, there is the question of risk management, the question of asset liability and matching is very important as well as the question of risk management.

Mr Speaker, Sir, we have various legislations that have been adopted recently namely the Securities Bill, the Banking, the Financial Services Development Bill, and the Insurance Act, etc. I am going to take one example from the Insurance Act to show how the question of asset management and asset liability matching is very important and the legal right of the various stakeholders also should be safeguarded, the legal risk management strategies that should be put into place. It is very, very important that we review altogether our risk policies, the risk containment strategies and the business operations for potential weaknesses, because we can therefore plan ahead and establish a sort of early warning system to anticipate and therefore avoid insolvency. So, there are various measures that could be advocated, certain measures taken

administratively through the Registrar of Companies, administratively through the various institutions that we are setting up by this Bill, but it is very important that we establish a whole system whereby and we learn from those countries that are going through very hard days right now.

Let me come to the question of individuals. I think it was well put by other Members on this side of the House that this Insolvency Bill is repealing, of course, the old Bankruptcy Act and, at the same time, we know a lot of individuals these days are confronted with the danger of bankruptcy, the danger of insolvency and this is creating a stress, a population under stress and this is very important especially that now people are indebted - indebted for their house, indebted for the education of their children, indebted for various family activities. And good it is, as pointed out by hon. P. Jugnauth that the amount of Rs3,000 has been revised upward to Rs50,000. So, I ask myself the question: who in this House is indebted by less than Rs50,000? It is very important that once you are declared a bankrupt what would happen? By virtue of the Constitution, at section 34, sub-section 1(d) that you lose your right of being a Member of this House –

“No person shall be qualified to be elected as a Member of the Assembly, who is a person who has been adjudged or otherwise declared bankrupt under any law in force in any parts of the Commonwealth.”

Who is not indebted by more than Rs50,000? I support fully the suggestion made by hon. Jugnauth that this figure should be revised upward. He has mentioned the figure of Rs100,000. I would venture to say that we are comparable to Singapore that Rs250,000 are even not too low a figure. But, at any rate, I leave this to the consideration of Government, but I believe that this should be pressed further. And then, when we were adopting the Company Bill some six/seven years back, I devoted a major part of my speech on the question of the setting up of this Commercial Court for Mauritius. This is very important. I think hon. Cuttaree rightly pointed out an anomaly in this Bill and I think this should be corrected immediately, that is, in the definition section ‘court’ means the ‘Bankruptcy Division of the Supreme Court’. I believe we should immediately look into this, because now we have a Commercial Court and, of course, there is the Master and Registrar, there is the Bankruptcy Division. We are abolishing and repealing altogether the Bankruptcy Act of 1888. So, I believe we should create immediately the Commercial Court and this Commercial Court should have legal provision of its own, should have a legislation of its own in order to set up the court, the whole procedure and also the various institutions that come. We agree that many of those institutions are set up here in this legislation and should be working closely with this Commercial Court. This is very important because whilst at the same time we want the Mauritian to be fully aware of his rights, all the safeguards that we are providing him and, at the same time, all the dangers that can threaten his livelihood, that of his family; they should know also the various institutions to which they can turn to. And this applies to the Mauritian citizens as well as to foreign investors, foreign professionals whoever will come to do business in Mauritius. So, they should be clearly spelt out the powers of the courts, the procedures before the courts and the various mechanisms, the various institutions working with this court. We fully agree. There has been a reproach made by the hon. Minister for Labour and Industrial Relations that this is a very modern law. We agree with that. This has been right from the outset the position of the Opposition that this is a step forward definitely. It has

taken almost a decade to work, to prepare and come forward with this legislation. Three different Governments have worked and come forward with this Insolvency Bill. So, this is why we agree with the various alternative measures that are being proposed by Government instead of being biased, everybody, instead of being biased, even the court instead of being biased in favour of liquidation, to think of rehabilitation procedures first as an alternative to liquidation. There is the question - we fully support - of negotiation of commercial plan but we should have gone one step forward by not just having commercial plan. How about the social plan? This is very important. Major countries and friendly countries with which we have dealings and from which we are attracting a lot of FDI, I believe, they are now fully aware. It is in their *moeurs*; it is in their tradition, their culture, a social plan. This would not scare away any foreign investor that there should be also as an alternative to liquidation not only a commercial plan but also a social plan. There are the workouts also as an alternative to bankruptcy to restore liquidity, to rehabilitate, to restructure and all that and the question of voluntary administration, we are all in favour. This is why with this new court, there would be retrial, pre-court consultation and also settlements in order to safeguard the rights and liabilities of each and every party. Right now the Commercial Court, which is just a division of the Supreme Court, is operating just like the Supreme Court, as established under the existing legislation, what we call a conciliation conference. This is very important indeed. Judge Lam Shang Leen and Judge Hamuth, I think, are presiding those conferences. A lot of settlements have, of course, avoided a lot of catastrophe, both cooperate and individual. So, Mr Speaker, Sir, we, on this side of the House, say that this legislation should have taken into consideration the general situation, global and national, in which we are moving but I can't resume my seat without drawing attention that there are many existing legislations like this which have been adopted and put into practice, which can go against the spirit of this Bill.

Let me take one example, the Insurance Act, to improve business facilitation, to open our country, to integrate in the global economy. It was good. That was in 2007. Mauritius would have been integrated fully. Fortunately we have not gone too fast to integrate, to liberalise too much otherwise we would have faced the same catastrophe as many countries. But the Insurance Act provides that an insurer will no longer be required to seek the Commission's approval to open a branch in Mauritius or elsewhere or to set up a subsidiary overseas, only prior notification would be enough, so further foreign insurer will no longer be required to furnish the Commission with all documents, it lodges with the regulator in its home jurisdiction.

What is more, Mr Speaker, Sir, the Insurance Act enables the FSC to allow an insurer to assume new risks in exceptional circumstances even when he does not satisfy the solvency requirements. So, you see the danger of this legislation; this is why I referred to the question of risk management, to the question of asset liability management and matching. The definition of solvency and the assets backing liabilities also make us afraid. The solvency margin has been removed by deleting the restricted definition of solvency margin to provide that the solvency margin will be as specified in the solvency rules to be made by the FSC. Secondly, assets backing liabilities need not be held in the same currency etc. So, when we come to the question of insolvency, existing insurers, not meeting the solvency margin as specified in the new solvency rules, shall be required to satisfy the Commission simply that they have in place an appropriate Contingency Plan structured on an annual basis or in such manner as the Commission may determine. I think all this will have to be reconsidered, revisited not only in the

light of this new Insolvency Bill, which will be adopted, will become an Act but also in the light of what is happening in the various fronts - international, global etc. We have had recently the Rainbow Insurance case. We know what has happened and that has been a question of insolvency. The Commission would be allowed to monitor the insolvency position of the insurers during the transitional period; unfortunately one insurance company crashed. Mr Speaker, Sir, I have taken this example to indicate to the House that we need to look up again at all the various financial legislations that we have introduced over the past decades. For example, Securities Bill will have to be looked into and I know, as I have stated earlier on, that Government is working on other legislations to diversify the various financial products available here in Mauritius. When we do this we should by all means try to get the full participation of each and everybody and the Minister of Finance should not hesitate in issuing out papers to explain the whole legislation. We have had difficulties, Mr Speaker, Sir; it is not easy. When we came with the Companies Bill we had the same complaint. It is not easy for a Member of Parliament to have this legislation and to be able to digest, especially now to compare with the previous existing legislation but what is worse, all Members on this side have protested about this. When we have this list of more than 70 amendments, some of them are substantial ones. Let us do an exercise, we have 70 Members in this House, give each Member one amendment to work out, whether we are going to last through the debate, we will be able to come out with an explanation. This is not fair at all to this House. Members of the Parliament should be treated differently. We are not expected to be legal experts, law experts, but what is more, this Bill is not the work of a lawyer. We need to have financial economic experts, corporate experts in order to be able to understand and state on behalf of the Mauritian citizen as Parliamentarian what finally would be our position before we vote this Bill. I think hon. Jugnauth has said it. So, we trust the Minister, the words that he is saying, but we hope that we would not end up as with the Employment Rights Act, where everybody is suffering as a result of lack of consultation and not listening to what other Parliamentarians *au pied levé*, without better preparation had to say when the Bill was being presented. So, this is why, Mr Speaker, Sir, I asked the Government to look up again at the whole legislation, especially in the light of the various suggestions made by this side of the House which I fully support.

Thank you.

The Vice-Prime Minister, Minister of Finance & Economic Empowerment (Dr. R. Sithanen): Mr Speaker, Sir, let me start by thanking Members on all sides of the House who have participated in the debate. Mr Speaker, Sir, I think I would fail in my sense of fairness if I do not congratulate hon. Jugnauth for what I think was a very lucid expose on the issue; he has made some good proposals and I agree to some of them .

Mr Speaker, Sir, I agree with hon. Berenger, hon. Jugnauth and also hon. Dulloo that we could have done better in submitting the amendments earlier. In fact, I was not very happy myself when the officers came to see me at lunch and they told me that we have to circulate a list of amendments ; and I asked the same question as the hon. Members. However, I think on the substantive text itself, Mr Speaker, Sir, we have circulated it well in advance. I must also put it in perspective; I shall not argue with hon. Dulloo as to how many amendments there are. I have looked at each of these amendments, Mr Speaker, Sir, there are basically 36 amendments, 35 of them are extremely minor; there are simply mistakes on cross-references. Even those that appear

at first sight to be important are not if you look at them in greater details. One example would be Paragraph ZF3, the only one in my humble permission that could be classified as being slightly important is probably Paragraph N4, where we have added a new paragraph which says that a passing of an ordinary resolution under section 1.11 is necessary so that a company could be wound up. In essence, it gives better protection to debtors, Mr Speaker, Sir.

The second point made, Mr Speaker, Sir, by hon. Berenger and also by hon. Cuttaree and hon. Dulloo, and to some extent, I think, hon. Jugnauth, is that the Bill has been cast in iron or in concrete and has not taken into account the changes happening in the global economy. Certainly this is not true; this is not borne out by evidence, Mr Speaker, Sir. In fact, the Bill has evolved over the period between 2004 and today, and it is precisely because of the lacuna in the existing legislation that we are coming with changes; and, in fact, if you look at the major differences, Mr Speaker, Sir - it is unfortunate that no one has fully canvassed this point because everybody takes it for granted - the current legislation has an in-built bias for receivership that is easily converted into liquidation; this is how it is today. And in fact, we have looked at the facts and the figures. In the overwhelming majority of cases when creditors believe that their assets are not secured, they appoint a receiver manager, and the receiver manager, after a short period of time, appoints a liquidator and then we know then what happens, Mr Speaker, Sir. And now there is a major change, Mr Speaker, Sir, in terms of the possibility for rehabilitation, work-outs and the appointment of voluntary liquidators. There are three stages to go through before you can appoint a receiver manager and then a liquidator. And this is where most of the work will be done - in passing I agree to the proposal made by hon. Jugnauth on how we can give more education, more information and more data to stakeholders so as to prevent liquidation. And I have been told by the officers that there is provision for this. If we can beef up this educational aspect through regulation, I have absolutely no problem, Mr Speaker, Sir. This is where most of the jobs can be saved, Mr Speaker, Sir. Very often the banks - and I agree with what hon. Cuttaree said - feel that their assets are not secured and they want to have a quick realisation of assets, whereas now with these three phases, Mr Speaker, Sir, as it exists in some other countries - we are doing it in the stimulus package; had it not been for the stimulus package, probably many of these firms would have been under receivership and they would have been liquidated. We call people and tell them: "let us try to work a plan to restructure your business". The purpose for this, Mr Speaker, Sir - when hon. Cuttaree and hon. Berenger said - I'll come with that in more details - that the Bill pro-bank and pro-creditor and against debtor, Mr Speaker, Sir, it is a considerable improvement on what it is now. Mr Speaker, Sir, what we are doing is to give the opportunity to the experts to decide how they can save the company, how they can renegotiate with the banks and other creditors and, in the meantime, for the business to continue. And we have some examples, Mr Speaker, Sir, as to how we have been able to save 1,700 jobs at World Knits because they have not gone straight into receivership and liquidation. This is the model that we are introducing in this piece of legislation. So, it is not correct to argue that this legislation has not taken into account what is happening in the global economy, Mr Speaker Sir. And, in fact, there are other measures taken by this Government to protect people and to save jobs; and in the light of the deteriorating trend in the global economy, new developments have been taken into account; and, in fact, hon. Dulloo himself said, as a result of these measures, we have not been as affected as other countries and we have not been as affected as some people believe initially. Of course, if the situation deteriorates, we will be affected because we are globally integrated in the world economy through tourism, textile, FDI, global Business, ICT,

export of Tuna, etc. But, up to now, there is a range of measures taken by Government to save jobs, to protect people. The only way to do that is to save enterprises facing temporary difficulties; and that is why we have a social contract with enterprises to save jobs. So, we have taken global changes into account,

Mr Speaker, Sir, and there are other measures implemented by Government to cushion the adverse impact and to buffer the negative consequences of the global economic slowdown on the labour market in our country. Let me come to the third point, Mr Speaker, Sir, made by hon. Bérenger. I was reading an excellent article in "The Financial Times" today on what is called the "perils of populism, or the dangers of demagoguery". Mr Speaker Sir, all of us, our heart goes to the workers and to employees. Mr Speaker, Sir, there are many fallacies in life where people believe they are doing the right things and, in fact, there is what people call the unintended consequences of a good intention. This is what happened. Mr Speaker, Sir, in ranking, workers were No. 10, but today, after the legislation is enacted, they will be No. 3. I would have preferred it to be No. 1, Mr Speaker Sir, but unfortunately if it is No. 1, it could be that no bank will lend to this business. So, at the end of the day, we pass a legislation, we all have good intention, we like the workers, all of us our heart is on the left, Mr Speaker, Sir, even if some have done bypasses, but the result, Mr Speaker, Sir, is exactly the opposite of what is intended. And there are many fallacies like that in life. Mr Speaker, Sir, I honestly and sincerely believe that flexibility and mobility in the labour market is in the interests of workers; and yet there are many people who come to see me, my friends in the trade union movement and argue for passing a law to prevent firms from laying off workers. I said all right, but then there would be no firms that will open up to employ people also, Mr Speaker, Sir. And this is what the writer in the 'Financial Times' calls the perils of populism. I do not have any brief to defend bankers. In fact, we have had a fight with them. It is good that my hon. friends know that to change that ranking in favour of workers from No 10 to No. 3 for one month with a limit of Rs 30,000. - we had to fight and some of them argued that they would review what they call the risk and reward analysis. And you know how bankers are, Mr Speaker, Sir. The factor in the higher risk either in terms of access to credit or the cost of credit or the conditions to have the credit. Look what has happened in the United States! Mr Speaker, Sir, I think it is very unfair to compare what is happening in America and to what obtains in Mauritius.

The hon. Leader of the Opposition mentioned that this is what is happening in America. In America, Mr Speaker, Sir, their banks are in deep trouble, not to say the deepest. The banking system is not functioning as it should. Many banks have a lot of toxic assets on their balance sheet, Mr Speaker, Sir, and that's why the two biggest items on the agenda for tomorrow's meeting G20 among the six are how to reach a situation in America and Europe where banks restart to lend money to people in addition to fiscal stimulus and regulation of financial services?. This is the problem. Because they have toxic assets and, to a large extent, there is a debate as to whether it is Wall Street which is responsible or the politicians or the Reserve Bank of America. Because the politicians and the Reserve Bank of America force many commercial banks to lend money to people who were subprimed; it is not good, Mr Speaker, Sir, to lend money to people that you know right from the beginning will not be able to pay back. You have to be very cautious about it. What your heart tells you and what your brain dictates to you we have to reach a compromise between the two, Mr Speaker, Sir. All of us in this House would like to protect workers. Nobody has the monopoly of the defence of workers, but you need to be

realistic and to embrace policies that will encourage people to invest. I have looked at what exists in other countries, Mr Speaker, Sir. It is the same. In most of these countries, there are some slight variations in the ranking, but, by and large, it is difficult to change this ranking because of the exigencies of international business. Hon. Dulloo said there are many friendly countries which, in spite of this, will come and invest, Mr Speaker, Sir. This is not true. I spend a lot of my time promoting Mauritius. It is difficult to get people to come and invest in our country. We are trying our best. So, I think we need to put this in perspective, Mr Speaker, Sir.

I have replied to this question of *la crise financière et économique*. Mr Speaker, Sir, let me reassure the House that we will continue to be ahead of the curve. We will continue to take measures that will protect people ; Mr Speaker, Sir, the EU does not have to congratulate Mauritius and yet the EU has said that our stimulus package has been timely, targeted and well crafted. The President of the ADB, in an official meeting in Africa, last week which was attended by my good friend hon. Boolell said that Mauritius has shown the way on what can be done in terms of economic stimulus to stave off the adverse impact of the global downturn on a small island economy. True it is that things will get worse, but we have done whatever is possible to mitigate the adverse impact, Mr Speaker, Sir.

Let me come to the points raised by hon. Jugnauth on the issue of Rs 50,000. I asked the question also: why Rs 50,000, and not Rs 100,000 or Rs 150,000? Obviously, the experts have worked on this for a very long time. They told me: “Minister, we have increased it from Rs 3,000 to Rs 50,000.” Obviously, 16 times increase. I just went across to check with them if it is possible, Mr Speaker, Sir, to change the threshold without coming back to Parliament by varying the content of the Schedule.

The other point made by hon. Jugnauth was in respect of the number of days that you give for these judgments to be implemented. We had proposed a different set of figures. Again, I am told by the experts that this has to be done to maintain the right of appeal of one of the parties.

The other point is the services that can be provided by this unit. Again, the civil servants have assured me that it can be done and if there is need to broaden the scope of the services provided by this particular unit, it should not be difficult to do it, Mr Speaker, Sir.

I now refer to hon. Cuttaree citing hon. Ganoo on Shylock. It is easy for me to rebut, Mr Speaker, Sir, what happened between 2000 and 2005, how many people lost their job. Why they did not produce a legislation that would have prevented the massive lay off of workers and why did they not produce a legislation that would have put workers as No. 1 in terms of ranking? It's easy, Mr Speaker, Sir, to criticise now. And very often this reminds me that where you stand depends on where you sit. Yet, they did nothing when they had the power to do it.

Mr Speaker, Sir, because many Members on the other side have been Prime Ministers, Deputy Prime Ministers, have been Ministers and yet they did nothing.

(Interruptions)

He tries, I will support him, I can appoint him as our principal negotiator with the banks and he will know how difficult it is to negotiate.

(Interruptions)

Mr Speaker: No interruptions!

Dr. Sithanen: We are trying our best ,Mr Speaker, Sir. Hon. Dr. Bunwaree was handling this file before. Hon. Chaumiere knows how difficult it has been to get these concessions from the banks . Look what has happened in America. In the initial 50 days, the newly elected President went bashing at entrepreneurs and banks. Eventually he was told by former President Clinton that he cannot shoot himself in the feet; that he cannot demonise all entrepreneurs. He has had to change position because you need banks to fund the system, to give money to people. In fact, I can tell them that there was pressure to change the additional levy on banks. I told them that since they are making money, they should pay the additional tax levy. However, tourism is facing difficulties and we have suspended the special levy. However, we need banks as we don't have a viable alternative system. But as hon. Chaumiere said, we cannot also do only balcony economics, Mr Speaker, Sir, or armchair politics. We have to look at what is happening on the ground. What is the point to embed in the legislation something that appears good to the workers and in actual fact they will be taken for a big ride and nothing will happen, Mr Speaker, Sir. We have seen that in the case of severance allowance. When we look at the fine print in the law, it gives protection. But when you go to Court, there is not a single *paisa* left in order to buy a sausage, Mr Speaker, Sir. There is no severance allowance for workers. We need to be practical and this is what we are trying to do. Mr Speaker, Sir, I hope we have struck a fair balance. I think, Mr Speaker, Sir, we have struck a reasonably fair balance among the competing needs of the different stakeholders - creditors, debtors, suppliers of goods, suppliers of services, employees and workers. And we need to let it work in practice. And if there is a need to bring changes either by new legislation or by altering regulations, Mr Speaker, Sir, we will do it in the light of changing circumstances. But, I think we need to understand what is happening on the ground and not do what I call armchair politics or balcony economics, Mr Speaker, Sir.

Thank you very much, Mr Speaker, Sir.

Question put and agreed to.

Bill read a second time and committed.

COMMITTEE STAGE

(Mr Speaker in the Chair)

THE INSOLVENCY BILL

(NO. XLII OF 2008)

Clause 1 ordered to stand part of the Bill.

Clause 2 (Interpretation)

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, I move for the following amendment in clause 2, subclause (1), in the definition of “Official Receiver”, by deleting the words “section 374” and replacing them by the words “section 371”.

Amendment agreed to.

Clause 2, as amended, ordered to stand part of the Bill.

Clauses 3 to 21 ordered to stand part of the Bill.

Clause 22 (Procedure following adjudication)

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, in clause 22, subclause (1) (e), I move that the words “: section 24” be deleted and replaced by the words “under section 24”.

Amendment agreed to.

Clause 22, as amended, ordered to stand part of the Bill.

Clauses 23 to 52 ordered to stand part of the Bill.

Clause 53 (Documents and other records).

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, I move for the following amendments in clause 53 –

“(i) in subclause (3), by deleting the words “paragraph 1(2)(ii)” and replacing them by the words “paragraph 1(3)(a)(ii);(ii) in subclause (4) –

(A) by deleting the words “paragraph 1(2)(ii)” and replacing them by the words “paragraph 1(3)(a)(ii);

(B) by deleting the words “Fifth Schedule” and replacing them by the words “Fourth Schedule”.”

Amendment agreed to.

Clause 53, as amended, ordered to stand part of the Bill.

Clauses 54 to 66 ordered to stand part of the Bill.

Clause 67 (Annulment)

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, in clause 67, subclause (4),

I move that the words “section 375” be deleted and replaced by the words “subsection (5)”.

Amendment agreed to.

Clause 67, as amended, ordered to stand part of the Bill.

Clauses 68 – 71 ordered to stand part of the Bill.

Clause 72 (Court to approve composition)

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, in clause 72, subclause (4),

I move that the words “Part IV” be deleted and replaced by the words “Part III”.

Amendment agreed to.

Clause 72, as amended, ordered to stand part of the Bill.

Clauses 73 to 100 ordered to stand part of the Bill.

Clause 101 (Commencement of winding up)

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, I move for the following amendments in clause 101, subclause (4) –

“in paragraph (a), by deleting the words “section 108(1)(a)” and replacing them by the words “section 108(1)”;

- (i) (ii) in paragraph (b), by deleting the words “section 108(2)(a)” and replacing them by the words “section 108(2)”;
 - (ii) (iii) in paragraph (c), by deleting the words “section 108(3)(b)” and replacing them by the words “section 100(2)(b)”.”
-

Amendment agreed to.

Clause 101, as amended, ordered to stand part of the Bill.

Clauses 102 and 103 ordered to stand part of the Bill.

Clause 104 (Power of Court on petition for winding up)

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, in clause 104, subclause (4), I move that after the words “joint petition” the word “of” be inserted.

Amendment agreed to.

Clause 104, as amended, ordered to stand part of the Bill.

Clauses 105 to 107 ordered to stand part of the Bill.

Clause 108 (Appointment of provisional liquidator)

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, in clause 108, subclause (8), I move that the words “shown or be” be deleted

and replaced by the words “shown, be”.

Amendment agreed to.

Clause 108, as amended, ordered to stand part of the Bill.

Clauses 109 to 118 ordered to stand part of the Bill.

Clause 119 (Document in possession of receiver)

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, in clause 119, subclause 5, I move that the words “clause 1(2)(ii)” be deleted

and replaced by the words “paragraph 1(3)(a)(ii)”.

Amendment agreed to.

Clause 119, as amended, ordered to stand part of the Bill.

Clauses 120 to 131 ordered to stand part of the Bill.

Clause 132 (Foreign companies)

Motion made and question proposed: “that the clause stand part of the Bill.”

Dr. Sithanen: Sir, I move that in clause 132, subclause (1), the words “section 287(3), (5) or (7)” be deleted and replaced by the words “section 286(3), (5) or (7).”

Amendment agreed to.

Clause 132, as amended, ordered to stand part of the Bill.

Clauses 133 to 141 ordered to stand part of the Bill.

Clause 142 (Creditors’ Meeting)

Motion made and question proposed: “that the clause stand part of the Bill.”

Dr. Sithanen: Sir, I move that in clause 142, subclause (7), the words “subsection (4)” be deleted and replaced by the words “subsection (5)”.

Amendment agreed to.

Clause 142, as amended, ordered to stand part of the Bill.

Clauses 143 to 156 ordered to stand part of the Bill.

Clause 157 (Notice of appointment and address of liquidator)

Motion made and question proposed: “that the clause stand part of the Bill.”

Dr. Sithanen: Sir, I move that in clause 157, paragraph (d), the word “Director” be deleted and replaced by the word “Registrar.”

Amendment agreed to.

Clause 157, as amended, ordered to stand part of the Bill.

Clause 158 ordered to stand part of the Bill.

Clause 159 (Liquidator’s accounts)

Motion made and question proposed: “that the clause stand part of the Bill.”

Dr. Sithanen: Sir, I move that in clause 159, subclause (1), the words “Official Receiver and the Director” be deleted and replaced by the words “Official Receiver and the Registrar.”

Amendment agreed to.

Clause 159, as amended, ordered to stand part of the Bill.

Clauses 160 to 169 ordered to stand part of the Bill.

Clause 170 (Right of creditor to complete execution, distraint or attachment)

Motion made and question proposed: “that the clause stand part of the Bill.”

Dr. Sithanen: Sir, I move for the following amendments in clause 170, subclause (1) –

“(i) in paragraph (a), by deleting the words “section 137 (1)(b)” and replacing them by the words “section 137 (1) (a)”;

(ii) in paragraph (b) –

(A) by deleting the words “section 137(1)(a)” and replacing them by the words “section 137(4)”;

(B) by deleting the word “or” appearing at the end;

(iii) in paragraph (c), by deleting the full stop and replacing it by the words “or”;

(iv) by adding, after paragraph (c), the following new paragraph –(d) the passing of an ordinary resolution under section 137(1) (a) that a company should be wound up, or the date on which the creditor had notice of the calling of the meeting at which such a resolution was proposed,

whichever occurs first.”

Amendment agreed to.

Clause 170, as amended, ordered to stand part of the Bill.

Clauses 171 to 188 ordered to stand part of the Bill.

Clause 189 (Vacancy in office of receiver)

Motion made and question proposed: “that the clause stand part of the Bill.”

Dr. Sithanen: Sir, I move that in clause 189, subclause (3), the words “the Director and to” be inserted after the words “be delivered to”.

Amendment agreed to.

Clause 189, as amended, ordered to stand part of the Bill.

Clauses 190 to 193 ordered to stand part of the Bill.

Clause 194 (Obligations of company and directors)

Motion made and question proposed: “that the clause stand part of the Bill.”

Dr. Sithanen: Sir, I move that in clause 194, subclause (2) (a), the words “the Director and” be inserted after the words “lodge with”.

Amendment agreed to.

Clause 194, as amended, ordered to stand part of the Bill.

Clauses 195 to 213 ordered to stand part of the Bill.

Clause 213A (Interpretation of Sub-Part IV)

Motion made and question proposed: “that the clause stand part of the Bill.”

Dr. Sithanen: Sir, I move that in clause 213A, subclause (1), in the definition of “company” the word “as” be inserted after the words “other figure”;

Amendment agreed to.

Clause 213A, as amended, ordered to stand part of the Bill.

Clauses 214 to 249 ordered to stand part of the Bill.

Clause 250 (Interpretation of section E)

Motion made and question proposed: “that the clause stand part of the Bill.”

Dr. Sithanen: Sir, I move that in clause 250, in the definition of “enforce”, in paragraph (c), the word “clause” be deleted and replaced by the word “charge”.

Amendment agreed to.

Clause 250, as amended, ordered to stand part of the Bill.

Clauses 251 to 260 ordered to stand part of the Bill.

Clause 261 (Execution of deed)

Motion made and question proposed: “that the clause stand part of the Bill.”

Dr. Sithanen: Sir, I move that in clause 261, subclause (1), the words “when it” be deleted and replaced by the words “is where the deed is”.

Amendment agreed to.

Clause 261, as amended, ordered to stand part of the Bill.

Clauses 262 to 277 ordered to stand part of the Bill.

Clause 278 (Administrator’s indemnity)

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, I move that in clause 278, subclause (4), the word “change” be deleted and replaced by the word “charge”.

Amendment agreed to.

Clause 278, as amended, ordered to stand part of the Bill.

Clauses 279 to 312 ordered to stand part of the Bill.

Clause 313 (Voidable preference)

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, I move that in clause 313, subclause (4)(b)(ii), the words “subsection 4(a)(i)”

be deleted wherever they appear and replaced by the words “subsection 4(b)(i)”.

Amendment agreed to.

Clauses 313, as amended, ordered to stand part of the Bill.

Clauses 314 to 354 ordered to stand part of the Bill.

Clause 355 (Protection of rights on change of applicable law)

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, I move that in clause 355, subclause (2), the words “section 351(2)” be deleted and replaced by the words “section 351(1)”.

Amendment agreed to.

Clause 355, as amended, ordered to stand part of the Bill.

Clauses 356 to 358 ordered to stand part of the Bill.

Clause 359 (Determination of applicable law for multi-unit states)

Motion made and question proposed: “that the clause stands part of the Bill”.

Dr. Sithanen: Sir, I move that in clause 359, in subclause (4), the words “the second sentence of” be deleted.

Amendment agreed to.

Clause 359, as amended, ordered to stand part of the Bill.

Clauses 360 to 375 ordered to stand part of the Bill.

Clause 376 (Director may make application

to Court)

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, I move that in clause 376, subclause (2), the words “section 176(8)” be deleted and replaced by the words “section 176(5)”.

Amendment agreed to.

Clause 376, as amended, ordered to stand part of the Bill.

Clauses 377 to 379 ordered to stand part of the Bill.

Clause 380 (Offences involving fraud)

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, I move that in clause 380, subclause (1)(c)(iii), the word ‘party’ be deleted and replaced by the word “part”.

Amendment agreed to.

Clause 380, as amended, ordered to stand part of the Bill.

Clauses 381 to 385 ordered to stand part of the Bill.

Clause 386 (Phoenix company)

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, I move that in clause 386, subclause (1), in the definition of “phoenix company”, the words “in subsection (3)” be deleted and replaced by the words “by regulations”.

Amendment agreed to.

Clause 386, as amended, ordered to stand part of the Bill.

Clauses 387 to 404 ordered to stand part of the Bill.

Clauses 387 to 404 ordered to stand part of the Bill.

Clause 405 (Cost and fees of official receiver).

Motion made and question proposed: “that the clause stand part of the Bill”.

Dr. Sithanen: Sir, I move that in clause 405, subclause (2), the words “subsection (3)” be deleted and replaced by the words “by regulations”.

Amendment agreed to.

Clause 405, as amended, ordered to stand part of the Bill.

Clauses 406 to 411 ordered to stand part of the Bill.

Clause 412 (Fees payable to Director).

Dr. Sithanen: I move to delete clause 412 and to replace it by the following clause –

“412. Fees payable to Director

Subject to the other provisions of this Act, the Director shall be paid such fees as may be prescribed.”

Amendment agreed to.

New Clause 412, as amended, ordered to stand part of the Bill.

Clauses 413 to 416 ordered to stand part of the Bill.

First Schedule

Motion made and question proposed: “that the Schedule stand part of the Bill”.

Dr. Sithanen: Sir, I move to delete the following –

(i) the words “(sections 26, 108, 142, and 167)” and replace them by the words “(sections 26, 108, 142, 167 and 232)”;

(ii) in paragraph 5(2), to delete the words “section 245” and replace them by the words “section 152”;

Amendment agreed to.

First Schedule, as amended, ordered to stand part of the Bill.

Second Schedule

Motion made and question proposed: “that the Schedule stand part of the Bill”.

Dr. Sithanen: Sir, I move to delete the words “(sections 29, 116, 182 and 183)” and replace them by the words “(sections 29, 116, 305 and 306)”;

Amendment agreed to.

Second Schedule, as amended, ordered to stand part of the Bill.

The Third Schedule ordered to stand part of the Bill.

Fourth Schedule

Motion made and question proposed: “that the Schedule stand part of the Bill”.

Dr. Sithanen: Sir, I move to delete the words “FOURTH SCHEDULE” and replace them by the words “FIFTH

SCHEDULE”;

Amendment agreed to.

The Fourth Schedule, as amended, ordered to stand part of the Bill.

Fifth Schedule

Motion made and question proposed: “that the Schedule stand part of the Bill”.

Dr. Sithanen: Sir, I beg to move for the following amendments –

“(i) to delete the words “FIFTH SCHEDULE” and replace them by the words “FOURTH SCHEDULE”;

(ii) to delete the words “(section, 116, 119, 136, 146, 154, 204, 217, 278, 328 and 405)” and replace them by the words“(sections 53, 116, 117, 119, 136, 146, 154, 182, 204, 217, 278, 328 and 405)”;

(iii) in paragraph (1) –

(A) in sub-paragraph (1)(b), to delete the words “Proposal under section 68B or of the Official Receiver under a Summary Instalment Order under section 68B” and replace them by the words “Proposal under section 79 or of the Official Receiver under a Summary Instalment Order under section 87”;

(B) in sub-paragraph (6) to delete the words “Subject to the provisions of paragraph 5, after payment of the claims referred to in sub-paragraph (6)” and replace them by the words “After payment of the claims referred to in sub-paragraph (5)”;

(C) in sub-paragraph (7)(a), to delete the words “sub-paragraph (8)” and replace them by the words “sub-paragraph (6)”;

(D) in sub-paragraph (8) to delete the words “sub-paragraph (9)” and “Civil Code” and replace them by the words “sub-paragraph (7)” and “Code Civil Mauricien”, respectively;

(E) in sub-paragraph (9), to delete the words “sub-paragraph 10” and replace them by the words “sub-paragraph (8)”;

(F) in sub-paragraph (10), to delete the words “sub-paragraph (11)” and replace them by the words “sub-paragraph (9)”;

Amendment agreed to.

Fifth Schedule, as amended, ordered to stand part of the Bill.

The Sixth Schedule ordered to stand part of the Bill.

Seventh Schedule

Motion made and question proposed: “that the Schedule stand part of the Bill”.

Dr. Sithanen: Sir, I beg to move for the following amendments –

“(i) to delete the words “(section 123, 144)” and replace them by the words “(sections 123 and 144)”;

(ii) to delete the heading “PROCEEDINGS

AT MEETINGS OF LIQUIDATION COMMITTEES” and replace it by the heading “PROCEEDINGS AT MEETINGS OF COMMITTEE OF INSPECTION”;

Amendment agreed to.

Seventh Schedule, as amended, ordered to stand part of the Bill.

The Eight Schedule ordered to stand part of the Bill.

Ninth Schedule

Motion made and question proposed: “that the Schedule stand part of the Bill”.

Dr. Sithanen: Sir, I beg to move for the following amendments –

“(i) to delete the words “NINTH SCHEDULE” and replace them by the words “**TENTH SCHEDULE**”;

(ii) to delete the words “(section 378)” and replace them by the words “(sections 374 and 378)”;

Amendment agreed to.

Ninth Schedule, as amended, ordered to stand part of the Bill.

Tenth Schedule

Motion made and question proposed: “that the Schedule stand part of the Bill”.

Dr. Sithanen: Sir, I move to move for the following amendments –

“(i) to delete the words “TENTH SCHEDULE” and replace them by the words “NINTH SCHEDULE”;

(ii) to delete the words “(section 366, 368)” and replace them by the words “(sections 366, 367 and 368)”;

Amendment agreed to.

Tenth Schedule, as amended, ordered to stand part of the Bill.

The Eleventh Schedule ordered to stand part of the Bill.

The title and enacting clause were agreed to.

The Bill, as amended, was agreed to.

On the Assembly resuming with Mr Speaker in the Chair, Mr Speaker reported accordingly.

Third Reading

On motion made and seconded, the Insolvency Bill (No. XLII of 2008) was read the third time and passed.

ADJOURNMENT

The Ag Prime Minister: Mr Speaker Sir, I beg to move that this Assembly do now adjourn to Tuesday 07 April 2009 at 11.30 a.m.

The Vice-Prime Minister, Minister of Finance & Economic Empowerment (Dr. R. Sithanen) rose and seconded.

ST. PIERRE TRAFFIC CENTRE - ALIGHTING PLATFORM

Mr S. Dayal (Second Member for Quartier Militaire & Moka): Mr Speaker, Sir, yet another fatal accident at St Pierre Traffic Centre. This is, in fact, the sixth fatal accident in a very short period of time. Several site visits have been effected by the relevant authorities with no avail. This situation cannot go on. Enough is enough! The problem is that the alighting platform is immediately after a sharp bend and passengers rushing to reach the embarking platform are unfortunately hit by buses, and six fatal accidents occurred. I appeal to the responsible Minister to act promptly and bring the necessary redress.

MOKA/FLACQ - ROAD - REPAIRS

The second point concerns the Ministry of Local Government. Since nine years, inhabitants residing near the street behind the State Bank are having tough time. Several site visits have been effected by officials of the Moka/Flacq District Council; again to no avail. With slight rainfall, the street accumulates lots of water and the street is impracticable for pre-primary school children, primary school children and workers. Here, I should like to lay a copy of the petition which I have got from the inhabitants, along with a few photos showing the desperate situation there.

BEAU BOIS - FLOODING PROBLEMS

Third, whenever there is a slight rainfall, the houses of the inhabitants of Beau Bois are flooded, just near the football playground. I will request the hon. Minister who has been an MP there to effect a site visit and to see *de visu* the situation, and to bring the necessary redress.

Thank you, Mr Speaker, Sir.

The Minister of Environment & National Development Unit (Mr L. Bundhoo): Mr Speaker, Sir, I have taken note of the request, namely with regard to the traffic centre, which I shall pass on to my colleague, hon. Bachoo. With regard to Beau Bois, the hon. Member may rest assured that we shall arrange a visit with the consultant there, and appropriate action will be taken.

The Minister of Local Government, Rodrigues & Outer Islands (Dr. J. B. David): Mr Speaker, Sir, as I also have the responsibility of the Moka/Flacq District Council, I will liaise with them as from tomorrow.

ALMA HOUSING ESTATE - ACCESS ROAD

Dr P. Ramloll (Third Member for Quartier Militaire & Moka): Mr Speaker, Sir, I'll speak on two pertinent issues in Constituency No. 8. The first one relates to access road to Alma Housing Estate. Mr Speaker, Sir, as we all know, Alma is a small village, *ex-camp sucrier*. It consists of 800 to 900 inhabitants only, and they became owners of their houses in 1994. It is situated hardly less than one km from the village of Dagotiere. An access road, which is normally called the Railway Road, and connects Dagotiere to Alma, was not approved by the MDA, that is, the Mon Desert Alma Sugar Estate at that time, until representations were made by the inhabitants and the Court gave a verdict that an alternative road plus a roundabout be provided. But the project has remained unattended till today. Mr Speaker, the MDA has replanted sugar cane on the area which was supposed to be the roundabout. I made a site visit there and had a meeting with the *Forces Vives* of Alma, and action needs to be taken without delay.

The plan is already here. I would like to table a copy of it to the Minister of Public Infrastructure. The advantages and the effects of this opening of the access road are the following

—

-
- (i) it is hardly 300 metres long, and will connect Alma, Dagotiere, Valleta, Quartier Militaire and St Pierre;
 - (ii) the buses plying on the road from Quartier Militaire to St Pierre, can reach this area to transport the inhabitants, but till now there is no bus service there;
 - (iii) presently, if one has to travel from Alma, he has to go through Quartier Militaire, Valleta and then to Dagotiere. I think it's high time that we just open up two kilometres of road to get the access.
-

ALMA - WATER SUPPLY

The second issue of Alma is the water supply, Mr Speaker, Sir. My colleague, hon. Suren Dayal, this morning, said something about the water problem in the whole constituency. Let me just add this pertinent point of the water supply in this area. What a paradox, Mr Speaker, Sir!

There is already a reservoir in Alma. Water supply from this reservoir has to circuit to another reservoir about 10 kilometres away near the Alma cemetery to be re-routed back to Alma for the supply of water to the inhabitants. It is so easy that the next door reservoir be utilised to its best so that the inhabitants get water regularly, because at present it is not only scanty, but very many times, it is not there. The last point is that there is a road in Alma called the "Dhalia Road". There is an existing drain and, at every rainfall, the drain gets clogged and it needs an urgent unclogging. I request the Minister of Local Government to look into it. No doubt, the District Council has been approached many times, but still no action has been taken.

(Interruptions)

Mr Speaker: Silence please!

Dr. Ramloll: The second point relates especially to Valetta, Mr Speaker, Sir. On 14 March 2009, during the heavy rainfall, eight to ten houses got flooded, and it is a regular feature that there are two to three feet of water in these houses. What is important to note is that on that very day, we contacted the Fire Services to get the water drained away. I would like to draw the attention of the Minister, my very good friend, who is very committed to it. The inhabitants are ready to provide their land at the backyard where a drain needs to be constructed hardly 60 to 70 metres to drain this collected water in a nearby river. This is all that needs to be done. So, I would request an urgent attention from the PPS, my friend, hon. Peetumber, and the Minister responsible of the National Development Unit. I know that things can be done very fast. Thank you, Mr Speaker, Sir.

ALMA HOUSING ESTATE - ACCESS ROAD

The Minister of Environment & National Development Unit (Mr L. Bundhoo): Mr Speaker, Sir, with regard to the Road Alma and Dagotiere, I must inform the hon. Member that I am very much aware of it and hon. Dayal also - we are all very much aware of it. And if Mon Desert Alma has apparently - from what the hon. Member just said earlier - given access under the court order to that, definitely, necessary action would be taken in order to remedy the situation. With regard to Valetta, may I assure the hon. Member as well as my good friend, hon. Dayal and hon. Ashock...

(Interruptions)

Excuse me, I just wanted to see the reaction and inform hon. Pravind Jugnauth that the necessary site visit will be conducted and, hopefully, now that we have the consultant, specifically LuxConsult, we are going to try to find out what are the best possible ways to remedy the situation in due course.

Thank you, Mr Speaker, Sir.

The Minister of Local Government, Rodrigues & Outer Islands (Dr. J. B. David): Mr Speaker, Sir, I see that Constituency No. 8 is very well focused...

(Interruptions)

I am not aware of the Dhalia road condition, but I will certainly contact the District Council tomorrow as well.

ST. PIERRE, MONTAGNE ORY & REDUIT - CEMETERY & CREMATION GROUND

Mr P. Jugnauth (First Member for Quartier Militaire & Moka): C'est l'honorable ministre Lormus Bundhoo qui veut me donner un choc ! M. le president, je veux m'adresser a l'honorable ministre du logement et des terres concernant les doléances legitimes de mes mandants eu égard au cimetiere musulman a St Pierre premierement. Deuxiemement, concernant un site de cremation pour la region de Moka, Montagne Ory et Reduit. Le probleme d'espace au cimetiere musulman a Circonstance reste entier depuis des annees. Cela, vous le savez tres bien, a ete meme loge d'un contentieux dont la Cour supreme a rendu un jugement et a condamne un ancien minister pour avoir fait des *misleading statements*, des *misrepresentations*. Cela a ete confirme par le *Privy Council* aussi et, au cours de la campagne electorale, pour l'élection partielle, il y a eu d'autres voix qui se sont ajoutees pour semer la confusion. Le probleme reste toujours entier a ce jour. Donc, premierement il faut retablir la verite, et trouver une solution dans les plus brefs delais pour repondre aux attentes de nos freres et soeurs musulmans concernees. Malheureusement, ce n'est pas le seul probleme, il y a aussi un problem d'eclairage le soir, et je pense que le ministre des administrations regionales pourra y remedier rapidement parce que cela cause un probleme, etant donne que les *burials* pour la communauté se fait le plus vite possible. Deuxieme probleme, c'est le site de cremation pour la region de Moka, Montagne Ory, et Reduit ou il y a une pressante demande de la part des habitants parce que, d'apres mes renseignements, le propriétaire dudit terrain a signifie son intention de debloquer sa propriete. Donc, il faudra trouver un autre site, et je pense deja a l'accord qui a ete fait entre la MSPA et le gouvernement, peut etre pour pouvoir negocier avec Mon Desert Alma, pour avoir un site approprie. J'espere aussi que peut-etre l'honorable ministre des administrations regionales pourra considerer le probleme au lieu de mettre des structures. Si on peut avoir une structure traditionnelle, tant mieux, mais sinon, peut-etre que l'installation d'un crematorium dote d'un incinerateur comme celui a Phoenix pourrait egalement etre envisage. Ce sont des requetes legitimes de la circonscription numero 8.

Merci, M. le president.

The Minister of Housing & Lands (Dr. A. Kasenally): Mr Speaker, Sir, I think there is a lot of controversy going about that cemetery at Circonstance. The facts are that I have already identified a portion of land of 3 arpents and 25 perches next to the present cemetery. Unfortunately, there are some individuals who have put another *mise en demeure* and, therefore, I have decided to go for compulsory acquisition. The first notice is appearing this Saturday and then on the following Saturday, and will go on. Then, we'll get this piece of land and finish with this problem. I have been looking after a lot of cemeteries all over the island, and I think this is the third or fourth one.

BAIE DU CAP - FISHERMEN

Mrs S. Hanoomanjee (Second Member for Savanne & Black River): Mr Speaker, Sir, I wish to raise an issue which concerns the Minister of Agro Industry regarding fishermen of Baie du Cap and the surrounding areas. There are around 94 fishermen who earn their living by fishing in the Baie du cap and Maconde areas. Since the construction of the Maconde Bridge has started - *et là j'ouvre une parenthèse pour dire* that I am not against the construction of the Macondé Bridge; in fact, we believe it was essential to have that bridge - the sea bed has been dredged, resulting in the sea becoming very muddy and polluted. With the movement of the waves, the muddy water moves throughout the lagoon, with the consequence that the catch of those fishermen has been very much affected. Usually, the fishermen have a very good catch during the summer season, as in winter their work dies down. If the Minister has a look at the figures regarding the catch in this region for the summer season at the Baie du Cap fisheries post, he will surely have an indication of the difficult situation which these fishers are undergoing. Moreover, the fishers used to get their natural bait from the Maconde region, as natural bait is obtained where a river enters the sea. The fishers have had, therefore, to spend additional money to purchase artificial bait. I am making a plea to the Minister to consider granting a compensation to the fishers as, Mr Speaker, Sir, they are very poor people, most of them living below poverty lines and struggling for a living. Moreover, I have a letter dated 28 May 2008 from the Ministry of Agro Industry which states, and I quote –

“...for any development at sea, promoters are required to consult with fishers of the region to resolve any conflict”

In this case, this has never been done, in spite of the fact that I have made several requests to the Ministry, visits have been done by the adviser, Mr Matthieu Lacle. Each time, he has promised that there will be a solution to this problem but, up to now, I am afraid to say that there has not been any concrete action. So, once again, I am reiterating my appeal to the Minister to take into consideration the plight of those fishermen during the period of construction of the bridge, and see whether he could consider granting them a compensation.

Thank you.

Mr Faugoo: I will look into the matter, Mr Speaker, Sir.

LA BASTILLE, PHOENIX - VEGETABLE GROWERS

Mrs L. D. Dookun-Luchoomun (Third Member for La Caverne & Phoenix): Mr Speaker, Sir, with your permission, I would like to raise an issue which has been raised earlier in this Assembly and which concerns the Minister of Housing and Lands as well as the Minister of Agro Industry. Mr Speaker, Sir, you will recall that, in July 2008, at Adjournment Time, I raised the issue of vegetable growers of Phoenix in the region known as La Bastille. In the year 2005, these vegetable growers were asked to shift from this area as Government had planned, at that particular point in time, to have the Police headquarters built there. But, since then, while answering the PQ No. B/365, the Minister of Agro Industry then informed the House that Government was not proceeding with that particular project. The land was returned to the

growers, and they were asked to carry on with their activities in that particular area. After which, in an answer to another question, the Minister of Housing and Land had informed the House that no eviction order had been issued to these growers and that they had been allowed to work there. But till today, Mr Speaker, Sir, nothing has been done, and these vegetable growers are still occupying the land without any official letter or any order allowing them to do so. In such a case, they are not in a position to avail of the facilities normally provided to vegetable growers. As mentioned earlier, they cannot register themselves with the Small Planters Welfare Fund, they cannot get duty-free facilities for their vehicles, they cannot obtain loans from the bank, they cannot even get the compensation that are normally given after floods and cyclones and, furthermore, they cannot even get their crops insured, because such facilities are only given to people who have got a contract deed or lease contract from the Government and to planters who are registered with the Small Planters Welfare Fund.

I will, therefore, Mr Speaker, Sir, make an appeal to the Minister of Housing and Lands as well as the Minister of Agro Industry to look into the matter and ensure that in the shortest possible delay these vegetable growers are given the possibility to improve their state of affairs.

Thank you, Mr Speaker.

The Minister of Housing & Lands (Dr. A. Kasenally): Mr Speaker, Sir I do not know what the exact status of the land is, whether it is vested within my Ministry or the Ministry of Agro Industry. However, I will liaise with my colleague and see where it is vested and, certainly, we should do something about these planters.

LA BRASSERIE - TRANSFER STATION - POLLUTION

Mr M. Dowarkasing (Third Member for Curepipe & Midlands): Mr Speaker, Sir the issue

I want to raise relates to the transfer station situated at La Brasserie, which falls under the purview of the Minister of Local Government. Mr Speaker, Sir, the transfer station has become the source of pollution that is affecting the inhabitants of Forest Side and, more particularly, those living at the La Brasserie CHA Estate. Since the last few days, an unbearable odour is emanating from the waste and is affecting the normal living environment of the people.

Secondly, most of the lorries carrying the waste to the site do so in a very careless manner dropping waste alongside their passage. I, therefore, appeal to the hon. Minister for remedial actions.

The Minister of Local Government, Rodrigues and Outer Islands (Dr. J. B. David): Mr Speaker, Sir, I will certainly look into the matter. I know there are inspectors there almost everyday, and I am quite surprised that they haven't conveyed that information to the Ministry. But, anyway, I will look into that tomorrow morning.

At 9.15 p.m. the Assembly was, on its rising, adjourned to Tuesday 07 April, 2009 at 11.30 a.m.

WRITTEN ANSWERS TO QUESTIONS

PMO - ADVISER – ALLEGED ‘TRAFFIC D’INFLUENCE’

(No. B/12) Mrs A. Navarre-Marie (First Member for GRNW & Port Louis West) asked the Prime Minister, Minister of Defence and Home Affairs whether he will state if he is aware of allegations of ‘*traffic d’influence*’ recently made against one of his advisers by a shareholder of Empowering People Ltd.

Reply: As the matter is being investigated by ICAC, it would not be proper for me to make any further comment on the matter. I have also learned that the Adviser in question has denied the allegations levelled against him.

TROU FANFARON POLICE STATION - RELOCATION

(No. B/13) Mr S. Lauthan (Third Member for Port Louis Maritime & Port Louis East) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the proposed relocation of the Trou Fanfaron Police Station, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if a plot of land has already been identified and, if so, indicate –

- (a) its location;
 - (b) the extent thereof, and
 - (c) where matters stand.
-

Reply: I am informed by the Commissioner of Police that on 20 August 2008, the Ministry of Housing and Lands was requested to identify a suitable plot of land in the vicinity of Trou Fanfaron Police Station to be vested in the Police Department for the relocation of that Police Station.

A site was identified at Abattoir Road, Roche Bois which is 1km away from the present Trou Fanfaron Police Station. However, it has been found that the site is not convenient as the topography of the land facilitates the accumulation of water and flooding, and construction on the site would require huge investment to cater for drainage system. Another site was identified adjacent to the Immigration Square but was also found to be inappropriate. In addition, in view of shortage of parking space, the Ministry of Public Infrastructure, Land Transport and Shipping had earmarked the said site for the extension of the bus stands. In view of the scarcity of State Land in the Port Louis region, the Ministry of Housing and Lands is now considering the identification of other plots of land, including even private land, if need be.

BUS DRIVERS AND CONDUCTORS - ASSAULT CASES

(No. B/14) Mrs S. Grenade (Second Member for GRNW & Port Louis West) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to cases of assault

perpetrated on bus drivers and conductors, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number thereof, since March 2008 to date.

Reply: I am informed by the Commissioner of Police that for the period March 2008 to date 23 cases of assault on bus drivers and conductors were reported to the Police.

In two cases, two suspects were arrested and have been released on bail pending Court action.

The remaining 21 cases are still under enquiry.

BUS STATIONS - ACCIDENTS

(No. B/15) Mrs S. Grenade (Second Member for GRNW & Port Louis West) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to cases of road accident at bus stations in which students have been killed or seriously injured, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number thereof since July 2005 to date.

Reply: I am informed by the Commissioner of Police that since July 2005 to date, two cases of accidents at bus stations have been reported where students have been killed or seriously injured.

(PQ No. B/16 - See after PQ No. B/43)

TROMELIN - FRENCH PRESIDENT/PRIME MINISTER - DISCUSSIONS

(No. B/17) Mr N. Bodha (First Member for Vacoas and Floreal) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the Tromelin Island and further to the meeting he had with Mr Nicholas Sarkozy, the President of the Republic of France, he will state the outcome of the recent meeting held between the top officials of the Republic of Mauritius and those of the Republic of France.

Reply: The issue of Tromelin was raised during the meeting the Prime Minister had with the French President, Mr Nicolas Sarkozy in June 2008. The French President had then agreed to the initial proposal that both Mauritius and France should discuss modalities for the co-management (*cogestion*) of the island. He stated that a Joint-Committee co-chaired by France and Mauritius be established to identify potentials for development and that Mauritian fishing vessels be allowed to operate in Tromelin waters.

The hon. Prime Minister explained to the French President that there was need to find a permanent solution to the sovereignty issue and that his proposal should not unduly delay the matter of sovereignty. The French President clearly pointed out that Tromelin should not indefinitely remain a matter of contention between our two countries and stated, I quote –

“Je ne veux pas qu’il y ait de contentieux entre La France et Maurice”

He agreed with the Prime Minister and suggested that pending the resolution of the sovereignty issue, both sides could consider co-management of the island. Subsequently the meeting between Mauritius and France was convened at high official's level in Port Louis on the 17 and 18 December 2008. Right from the start the Mauritian side stressed on the fact that although discussions would focus on the co-management of Tromelin and its surrounding waters, the question of sovereignty should not be set on the back-burner. The French side was requested to transmit to its Government the wish of Mauritius to embark in a near future, on negotiations with a view to reaching an agreement on the modalities for a resolution on the dispute on sovereignty.

The meeting clearly defined the notion of co-management as the joint management and administration of Tromelin Island and its surrounding waters. Different areas of cooperation namely protection of environment, biodiversity, fisheries, meteorology and installation of scientific equipment on the island were identified. The meeting agreed on a study to be carried out for the management of the ecosystem of the island. With regard to fisheries, both sides agreed that a scientific evaluation of the fish stock in the area be made to regulate fishing activities in specific zones with a view to ensuring regular reproduction/renewal of fish stock reserves. Discussions were also held on surveillance of the EEZ and on the issue of licenses for fishing vessels to operate in Tromelin waters. Both French and Mauritian sides agreed on the setting up of a high level "*Comité de Co-gestion*" comprising technical experts to work out the modalities in each respective area of cooperation mentioned above. For the first time, the French side agreed that Mauritius should be able to issue fishing licences. If the House will recall that this was an issue of contention in the past and fishing vessels licensed by Mauritius had been stopped by the French Authorities in the past and the crew detained. This should not occur again with the new arrangements. The "*Comité de Co-gestion*" would be of operational nature and would co-opt other experts, as and when required, to cover areas beyond those raised during the discussions. The next meeting at high official's level will now be held in Reunion Island shortly to finalise the terms of reference of the "*Comité de Co-gestion*" and to pursue discussions on the co-management of the island. Government is, through the Attorney-General's Office and the Ministry of Foreign Affairs, Regional Integration and International Trade, working closely with our consultant Mr Ian Brownlie, on a draft agreement embodying the broad principles of the co-management regime.

ELECTORAL REFORM - DISCUSSIONS

(No. B/18) Mr S. Soodhun (Fifth Member for La Caverne & Phoenix) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the electoral reform, he will state where matters stand.

Reply: The House will recall that, in his reply to Pq B/1191 in November last, the Prime Minister stated that he intended to continue discussions on electoral reform with leaders of political parties. However, with the onset of the world financial crisis, priorities have changed and the Government has had to concentrate on the urgent and wide-ranging measures, which had to be taken in order to mitigate the impact of the crisis on the Mauritian economy. It is precisely in this context that we are today introducing the Additional Stimulus Package Bill.

Nevertheless, in spite of the constraints imposed by other issues of national interest, the Prime Minister intends to resume discussions on electoral reform shortly.

RODRIGUES - LA PASSE CARANGUE - SEARCH OPERATION

(No. B/19) Mr A. Nancy (First Member for Rodrigues) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to an accident which occurred at sea, on Friday 13 March 2009, at La Passe Carangue in Rodrigues, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if the National Coast Guard took active part in the search operation immediately after being alerted, indicating –

(a) the time at which they started the operation, and

(b) the details of the rescue vessel.

Reply: I am informed by the Commissioner of Police that the National Coast Guard started search and rescue operations at 23 56 hours on Friday 13 March after information was received by two Police Officers from Mourouk Ebony Hotel that a pleasure craft with four persons on board was missing. The Police Coast Guard also received support from the Fisheries Protection Service. The search and rescue operation was carried out with two Heavy Duty Boats, two Avon Crafts and one Fisheries Research Vessel. The Dornier Aircraft also flew from Mauritius to provide assistance and to perform aerial searches. I would like to avail myself of this opportunity to offer my condolences to the families of the two skippers who lost their life. Consideration will be given to the grant of financial assistance to the bereaved families from the Prime Minister's Relief Fund.

INFANTICIDE - CASES

(No. B/20) Mrs L. D Dookun-Luchoomun (Third Member for La Caverne & Phoenix) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to cases of infanticide, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number of reported cases thereof in which the parents have been involved over the past ten years.

Reply: The Oxford dictionary defines "Infanticide" as the killing of an infant soon after birth. The offence of 'Infanticide' is provided for in Section 220(2) of the Criminal Code. As per the above provision of the law, where the murder of a newly born child "is committed by a woman in respect of her newly born child but at the time of the act of commission of omission she had not fully recovered from the effect of giving birth to such child and by reason thereof the balance of her mind was then disturbed, she shall, notwithstanding that the circumstances were such that but for this section the offence would have amounted to murder of a newly born child, be guilty of the crime of infanticide, and may be dealt with and punished as if guilty of the infanticide". Any woman guilty of infanticide shall be liable to penal servitude for a term not exceeding 35 years. It may be noted that a verdict of infanticide may also be returned by a Court in the circumstance provided for in section 220(3) of the Criminal Code, which provides as follows –

“Where on the trial of a woman for the murder of her newly born child, the jury is of the opinion that she by any willful act of commission or omission caused its death, but that at the time of such act of commission or omission she had not fully recovered from the effect of giving birth to such child, and that by reason thereof the balance of her mind was then disturbed, the jury may, notwithstanding that the circumstances was such that but for this section it might have returned a verdict of murder of a newly born child, return a verdict of infanticide instead”.

I should like to highlight the fact that in accordance with the above provisions of the law, only a woman can be guilty of the crime of infanticide. I am informed by the Commissioner of Police that the number of cases of Infanticide reported for the past ten years is as follows –

RODRIGUES - MBC/TV PROGRAMMES - DIGITAL TELEVISION RECEIVER

(No. B/21) Mr J. R. Speville (Second Member for Rodrigues) asked the Prime Minister, Minister of Defence and Home Affairs whether he will, for the benefit of the House, obtain from the Mauritius Broadcasting Corporation, information as to if the members of the public in Rodrigues has, since December 2008, to compulsorily install a Digital Terrestrial Receiver so as to have access to the MBC/TV programmes and, if so, the number thereof who have not yet made their installation, indicating if Government proposes to assist those who cannot afford same.

Reply: In reply to PQ No. B/1177 on 27 November 2007, the House was informed that major technological development in the field of broadcasting has taken place over the past years, resulting in the shift from analogue to digital system. This is an inevitable process which has resulted in the gradual phasing out of the analogue system. The MBC, therefore, had to adapt to these technological changes. It should be pointed out that the MBC must, in line with the recommendation of the International Telecommunication Union, migrate from analogue to digital by 2015.

The analogue television transmitters in Rodrigues were installed some 15 to 20 years ago and have outlived their designed life time which is normally between 7 to 8 years. The items of equipment are no longer supported by their manufacturers and spare parts are no longer available to ensure their maintenance. There has been serious television transmission problems in Rodrigues over the past few years such as degradation in the quality of sound and image, drifting of transmitting power, coverage and performance of transmitters. Consultations were held between the MBC, MCML and the Rodrigues Regional Assembly and it was agreed that prompt action be taken to move from analogue to a digital system. Accordingly, since December 2008, the TV transmission in Rodrigues has been fully digitalized. Two main stations, namely, Mont Venus and Mont Malartic are simultaneously transmitting both in digital and analogue modes. I am informed by the Chief Executive Officer of MCML that the coverage through these two relay stations exceed 65% of viewers. The remaining four TV relay stations namely, Trefles, Cygangué, Papayes and Mont Chéri have been switched from analogue to digital transmission mode as the analogue transmitters in these four stations were faulty and no longer serviceable due to old age. In order to have access to digital television channels, the public in Rodrigues must have either a digital television receiver or install a Digital Terrestrial Decoder with their existing antenna and TV sets. I am further informed by the Director-General of the MBC that

the Corporation has not received any complaint from viewers from Rodrigues since the digital roll out in December 2008. The MBC and MCML have started a campaign to encourage Rodriguans to purchase the Digital Terrestrial Receiver. The House would recall that in reply to PQ No. B/1254 on 11 November 2008, the Hon. Vice-Prime Minister and Minister of Finance and Economic Empowerment had informed that it would not be viable for the Development Bank of Mauritius Ltd to operate a loan scheme for the purchase of TV decoders. I am informed by the Departmental Head of the Rodrigues Regional Assembly that he has no information regarding the number of television viewers in Rodrigues who have not yet made their installation of Digital Television Receiver. I am informed that with the installation of the Digital Transmitters, viewers in Rodrigues are now being provided with four digital television channels including MBC 1 and a mixed of MBC 2 and MBC 3, BBC and TV5 instead of only one analogue channel in the past.

FACT FINDING COMMITTEE -MRS I. M. - ALLEGATIONS AGAINST

(No. B/22) Mr J. C. Barbier (Third Member for GRNW& Port LouisWest) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the Fact Finding Committee set up to inquire into the allegations made against Mrs I. M., Board Member of the Independent Commission Against Corruption, he will state the fees paid or to be paid to the Chairman of the Committee.

(Withdrawn)

ELECTIONS - CODE OF CONDUCT

(No. B/23) Mr S. Naidu (Third Member for Beau Bassin & Petite Rivière) asked the Prime Minister, Minister of Defence and Home Affairs whether he will state if Government proposes to amend the electoral legislations to make provisions for a Code of Conduct to complement the legal provisions in force regarding the holding and conduct of elections in Mauritius.

(Withdrawn)

AIRPORTS OF MAURITIUS COMPANY LTD - RECRUITMENT

(No. B/43) Mr M. Allet (Second Member for Beau Bassin & Petite Rivière) asked the Vice-Prime Minister, Minister of Tourism, Leisure and External Communications whether, in regard to the recruitment of the staff members and manual workers at the Airports of Mauritius Company Ltd. since July 2005 to date, he will, for the benefit of the House, obtain from the Company, information as to the number thereof, indicating –

(a) their names, addresses and respective posting, and

(b) if the posts were advertised and, if so, when, in each case.

Reply (The Prime Minister, Minister of Defence and Home Affairs): I wish to refer the hon. Member to the replies to PQ Nos. B/450 and B/458 made by the hon. Vice-Prime Minister, Minister of Tourism, Leisure and External Communications on 22 May 2007 and 13 May 2008 respectively. Therein he stated that the Airports of Mauritius Company Limited is a public company incorporated under the Companies Act, and the powers of Government are limited to those of a shareholder.

It would, therefore, not be appropriate to reply to the question as it relates to an internal matter of the company.

MADAGASCAR - POLITICAL CRISIS

(No. B/16) Mr N. Bodha (First Member for Vacoas & Floreal) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to Madagascar, he will state the latest political development, indicating –

(a) the role of the regional and international organisations of which both Mauritius and Madagascar are members in finding a solution to resolve the crisis, and

(b) the situation of the Mauritian community living in Madagascar.

Reply (The Minister of Foreign Affairs, Regional Integration and International Trade): The accession to power of Mr Rajoelina has been condemned by the International Community. The U.S. has stated that it will suspend all non-humanitarian aid to Madagascar, calling the forced departure of Ravalomanana was “tantamount to a *coup d’Etat*.” The Indian Ocean Commission has condemned the transfer of power while the Southern African Development Community, has refused to recognise Mr Rajoelina. Norway, which gives about \$14 m. in annual aid, has frozen funding. The EU Presidency has also denounced what has happened as a “*coup d’état*”. The African Union has suspended Madagascar and also asked that all steps be taken to ensure the safety of the former President. An Extra Ordinary Summit of the SADC Troika of the Organ on Politics, Defence and Security was held on 19 March and the Executive Secretary of SADC, Dr Salomao, was mandated to engage the African Union, the United Nations and all other role players to help define a comprehensive and coherent strategy that would lead to the resolution of the situation in Madagascar.

A SADC delegation visited Madagascar from 23 to 25 March and has called for the return to constitutional order, and requested Mr Rajoelina to hold Presidential elections at the earliest.

As the House may be aware, a SADC Extraordinary Summit of Heads of State and Government to discuss the political crisis in Madagascar took place yesterday in Swaziland, which Dr the hon. Prime Minister personally attended.

With regard to part (b) of the Question, I wish to inform the hon. members of the House that the Ministry of Foreign Affairs, Regional Integration and International Trade, has been in contact with our Ambassador in Antananarivo to ensure that the Mauritian Community living in

Madagascar are safe. So far, there has been no Mauritian casualty. Mr Lemaire, our Ambassador, has been interacting constantly with the security forces in Madagascar and intervened to ensure that security be reinforced in regions where there are large numbers Mauritian community. Our nationals have been advised to remain vigilant and cautious and have been reassured that Government will provide necessary assistance as and when the security situation warrants.

The Ministry of Foreign Affairs, Regional Integration & International Trade is closely monitoring the developments and is in touch with our Mission in Antananarivo on regular basis.

CITÉ LOYSEAU AND CITÉ MANGALKHAN - FOOTBALL GROUNDS - LIGHTING

(No. B/61) Mr N. Bodha (First Member for Vacoas & Floreal) asked the Minister of Environment and National Development Unit whether, in regard to the football grounds at Cite Loyseau and Cite Mangalkhan in Constituency No. 16, Vacoas and Floreal, he will state if he will consider installing lighting facilities thereat and, if so, when.

Reply: I shall shortly request the Consultant Luxconsult to effect a site visit on both sites and provide the cost estimates. Once the cost estimates would be made available, necessary action would

be initiated.

LE REDUIT/TERRE ROUGE -LINKING ROAD

(No. B/62) Mr N. Bodha (First Member for Vacoas & Floreal) asked the Minister of Public Infrastructure, Land Transport and Shipping whether, in regard to the project for the construction of a new road linking Le Reduit to Terre Rouge, he will state where matters stand.

Reply: Following approval of the China Exim Bank, bids for the Terre Rouge-Verdun Road was invited from the four short listed Chinese bidders in September 2008. The bids received ranged between Rs2.8 to Rs3.4 billion whereas the project was estimated at Rs2.1 billion (inclusive of vat) in 2008.

In view of the variance between the estimated costs and the bids, the Central Procurement Board decided to call for fresh financial proposals from all the bidders. The matter was challenged in February 2009 by one of the bidders, Beijing Construction Engineering Co. Ltd. Subsequently, in March 2009 the Supreme Court ordered that negotiations be conducted with the lowest responsive bidder. The Central Procurement Board has started negotiations.

AIR MAURITIUS LTD. -HEDGING CONTRACTS

(No. B/63) Mr A. Ganoo (First Member for Savanne and Black River) asked the Vice-Prime Minister, Minister of Tourism, Leisure and External Communications whether, in regard to the financial situation of AirMauritius Ltd. he will state

—

- (a) the losses incurred by the Company on its hedging contracts up to period ending 15 March 2009;
- (b) the projected amount of unrealized losses on unexpired hedging contracts maturing up to August 2010 based on current fuel price;
- (c) the amount of money the Company has had to issue in terms of collaterals so far;
- (d) the amount of money Government has pledged as guarantee so far, and
- (e) the projected losses at the end of March 2009.
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(Vide reply to PQ No. B/30)

MAURITIUS TELECOM - TRADE UNIONISTS - RE-INSTATEMENT

(No. B/64) MrA. Ganoo (FirstMember for Savanne&Black River) asked theMinister of Labour, Industrial Relations and Employment whether, in regard to the re-instatement of the two trade unionists of the Mauritius Telecom, Mr R. R. andMr I. C., he will, for the benefit of the House, obtain from the Telecom, information as to where matters stand.

(Vide reply to PQ No. B/28)

BERJAYA HOTEL - EMPLOYEES

(No. B/65)MrA. Ganoo (FirstMember for Savanne&Black River) asked the Minister of Labour, Industrial Relations and Employment whether, in regard to the Berjaya Hotel, he will state –

- (a) the number of employees still in employment out of the previous total work force;
- (b) if renovation works are still in progress and,if so, when same will be completed, and
- (c) if the new owners took an undertaking not to lay off any employee pending the re-opening of the establishment.
-

Reply: I am informed that as at 26 March 2009, 124 employees were still in employment. Of the 190 employees in employment as at July 2008,as mentioned in my reply to PQ No. B/962 of last year, 66 have left following payment of a package negotiated by them with management.

As regards part (b) of the question, I am informed that renovation works are ongoing and, according to management, these works will be completed during the first quarter of 2010.

As for part (c) of the question, I am given to understand that the answer is in the negative. However, I am informed that in a letter dated 13April 2007, the new owners had assured my

Ministry that the interest and rights of the employees will be safeguarded in accordance with the laws of the country.

EMPLOYMENT RIGHTS ACT 2008 - EMPLOYEES - LAID OFF

(No. B/66) Mr A. Ganoo (First Member for Savanne & Black River) asked the Minister of Labour, Industrial Relations and Employment whether, in regard to the layoff of employees, since August 2008, he will state –

- (a) the number thereof;
 - (b) the names of the companies which have laid off their work force, and
 - (c) if Government proposes to review the Employment Rights Act 2008 to amend the procedure relating to layoffs.
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(Vide reply to PNQ)

TERTIARY EDUCATIONAL INSTITUTIONS (FOREIGN) - PERMITS

(No. B/67) Mrs L. D. Dookun-Luchoomun (Third Member for La Caverne & Phoenix) asked the Minister of Education, Culture and Human Resources whether, in regard to the granting of permits to foreign tertiary educational institutions wishing to operate in the Republic of Mauritius, he will, for the benefit of the House, obtain from the Tertiary Education Commission, information as to the criteria used by the Commission for the granting thereof.

(Withdrawn)

MAURAS SCHOOL OF DENTISTRY - OPERATION

(No. B/68) Mrs L. D. Dookun-Luchoomun (Third Member for La Caverne & Phoenix) asked the Minister of Education, Culture and Human Resources whether, in regard to the Mauras School of Dentistry, he will, for the benefit of the House, obtain from the Tertiary Education Commission, information as to –

- (a) the date on which the application for its operation was made;
 - (b) the date of approval;
 - (c) the institution to which the Mauras School of Dentistry is affiliated, and
 - (d) the number of students who have completed the Bachelor in Dental Surgery Course from the School of Dentistry.
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(Withdrawn)

MAURAS SCHOOL OF DENTISTRY - STUDENTS - REGISTRATION

(No. B/69) Mrs L. D. Dookun-Luchoomun (Third Member for La Caverne & Phoenix) asked the Minister of Health and Quality of Life whether, in regard to the students of the Mauras School of Dentistry, he will state the number thereof who have been registered at the Dental Council of Mauritius.

(Withdrawn)

EMPLOYMENT RIGHTS ACT 2008 - EMPLOYEES - WORKFORCE PROGRAMME

(No. B/70) Mr S. Soodhun (Fifth Member for La Caverne & Phoenix) asked the Minister of Labour, Industrial Relations and Employment whether, in regard to the layoff of employees since the promulgation of the Employment Rights Act 2008, he will state the number of employees who have –

(a) been laid off and paid compensation, and

(b) registered for the workforce programme after being laid off .

(Vide reply to PNQ)

ENTERPRISES - CLOSING DOWN

(No. B/71) Mr S. Soodhun (First Member for La Caverne & Phoenix) asked the Minister of Industry, Science and Research whether in regard to the financial crisis, he will state –

(a) the number of enterprises which have closed down in the Export Processing Zone and the non Export Processing Zone sectors since July 2008 to date, and

(b) the remedial measures that are being taken.

Reply: At the very outset, I would like to state that closures and establishment of new enterprises have always been part of the dynamic environment of the Export Oriented Enterprises Sector, formerly called the EPZ Sector. Not all the closures registered, therefore, since July 2008 can be attributed exclusively to the financial crisis. After this clarification, I wish to inform the House that –

(i) 15 enterprises in the Export Oriented Enterprises (EOE) Sector, formerly the EPZ sector, closed down since July 2008 to date; and

(ii) 4 non-EOE manufacturing enterprises employing 10 or more persons closed down between July 2008 and March 2009.

As regards to part (b) of the question, Government is implementing in a proactive matter various remedial measures to support the export and domestic enterprises. Some specific measures have also be taken to deal with the current financial crisis.

A highlight of these measures include –

◆ First, the creation of a Rs500 m. Manufacturing Adjustment and SME Development Fund within the 2008/2009 Budget with a view to sharpening the competitiveness of Mauritian enterprises to face the challenges of globalization. As at today the fund has already approved 51 projects amounting to Rs474 m. Some of the major projects comprise the Technology Diffusion Scheme, the Productivity and Competitiveness Improvement Scheme. Equipment Modernisation Scheme and the Market Intelligence and Export Promotion Schemes. Enterprise Mauritius has already embarked on the implementation of 25 projects aiming at upgrading the export capability of enterprises through a range of interventions in such areas as productivity improvement, product development, market diversification and export promotion.

◆ Second, as the house is aware, Government introduced an Additional Stimulus Package in December 2008 to the tune of Rs10.4 billion to shore up the economy and to mitigate the adverse effects of the global economic slow down. Under this package one billion rupees have been provided for easing the cash flow problems of enterprises. The Mechanism for Transitional Support to the Private Sector (MTSP) under the Additional Stimulus Package has so far received 10 applications for a financial rescue package. Each application is evaluated on its own merit on a case to case basis before a decision is taken. One application has been approved and the other cases are being processed. Let me seize this opportunity to clarify that the Mechanism for Transitional Support to the Private Sector (MTSP) caters also for Small and Medium Enterprises and not only for large enterprises.

◆ Third, the repo rate has been revised downward to reduce the cost of finance and to enhance the competitiveness of the Mauritian enterprises while stimulating demand.

◆ Fourth, 13 projects will be implemented through a grant of Rs70 m. from the *Agence Française de Développement* (AFD) to enhance the trade capacity of our export-oriented sector. The agreement was signed between my Ministry and AFD on 18 February 2009.

◆ Fifth, Enterprise Mauritius is implementing a project relating to export readiness of enterprises with financial assistance from the European Union under the Decentralised Cooperation Programme. On the other hand, the UNIDO under a SADC initiative is developing an Industrial Upgrading and Modernisation Programme (IUMP) for Mauritius. The aim of this programme is to support the process of modernisation, growth and competitiveness of industries and related services. Over and above these measures, Enterprise Mauritius (EM) conducts regular visits and carries out health checks to identify the needs of enterprises in terms of productivity, coaching, capacity building, finance, marketing and provide appropriate assistance. Moreover, my Ministry is organizing the AGOA week to sensitise economic operators to tap opportunities

generated with the derogation of 3rd Country Fabrics under AGOA. All these foregoing measures clearly demonstrate the commitment and seriousness of the Government to support the manufacturing sector to mitigate the adverse effects of the global economic downturn and meet future challenges with confidence. In fact, the current difficulty facing our enterprises is also an opportunity for us to revisit our business models and strategies and to move up the global value chain.

RODRIGUES - CAPITAL BUDGET - AMOUNT DISBURSED

(No. B/72) Mr A. Nancy (First Member for Rodrigues) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the capital budget earmarked for Rodrigues in the 2008-2009 Budget, he will give a detailed breakdown of the amount of fund disbursed as to to date.

Reply (The Minister of Local Government, Rodrigues & Outer Islands): I am informed that as at 30 March 2009, an amount of Rs118,308,205.83 (one hundred and eighteen million three hundred and eight thousand two hundred and five rupees and eighty-three cents) has already been disbursed to the Rodrigues Regional Assembly. A detailed breakdown of the amount disbursed is being laid in the Library of the Assembly.

RODRIGUES - TOURISM SECTOR - ADDITIONAL STIMULUS PACKAGE

(No. B/73) Mr A. Nancy (First Member for Rodrigues) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the economic crisis prevailing in Rodrigues, he will state if Government will propose an Additional Stimulus Package to boost up the tourism sector and other small enterprises which are encountering difficulties.

(Vide reply to PQ No. B/27)

RODRIGUES/MAURITIUS -PEOPLE TRAVELLING BY SHIP - NUMBER

(No. B/74) Mr A. Nancy (First Member for Rodrigues) asked the Minister of Local Government, Rodrigues and Outer Islands whether, in regard to people travelling from Rodrigues to Mauritius by ship, he will, for the benefit of the House, obtain from the Mauritius Shipping Corporation Ltd., information as to the number thereof on a monthly basis from January 2008 to date.

Reply: I am informed by the Mauritius Shipping Corporation Ltd that a total number of 8,390 passengers have travelled from Rodrigues to Mauritius on the vessels of the Mauritius Shipping Corporation, that is, Mauritius Pride and Mauritius Trochetia for the period January 2008 to February 2009. The breakdown on a monthly basis is being tabled.

ADDITIONAL STIMULUS PACKAGE - AMOUNT DISBURSED - COMPANIES

(No. B/75) Mr J. Cuttaree (Second Member for Stanley & Rose Hill) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the Additional Stimulus Package, he will state –

(a) the amount of funds disbursed or earmarked for disbursement, and

(b) the names of the companies which have benefited or will benefit from the package, indicating the funds disbursed or earmarked to be disbursed to each of them.

(Vide reply to PQ No. B/27)

PRIVATE SECTOR - EMPLOYEES - WAGES - 1% DEDUCTION

(No. B/76) Mr J. Cuttaree (Second Member for Stanley & Rose Hill) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the wages of the employees of the private sector, he will state what the total amount of one percent deduction therefrom represents monthly.

Reply (The Minister of Social Security, National Solidarity & Senior Citizens Welfare & Reform Institutions):The new legislation requiring private sector employees to pay to the National Savings Fund, contributions representing 1% of their basic wage (up to a ceiling of Rs9,435) came into effect as from 02 February 2009. Given that big employers, that is those having fifty or more employees, pay their contributions electronically and have up to the 31 March 2009 to effect payment for the month of February 2009, we cannot at this stage give the exact amount to be collected as 1% contributions.

However, on the basis of the 2.5% NSF contributions paid for the previous months, we estimate that the additional 1% contributions will represent approximately Rs16.4 m. per month. I need to point out that the 1% contributions are payable on the basic wage up to a ceiling of Rs9,435; hence the maximum contributions payable by an employee earning above Rs9,435, will be Rs94 per month; and for an employee earning below Rs9,435, the contributions will be less than Rs94 per month. For example, an employee with a basic wage of Rs4,000 will pay only Rs40. per month. I must draw the attention of the house that, where the worker has never claimed the Transitional Unemployment Benefit, his 1% contributions and any recycling fee in his account, along with accrued interests, will be refunded to him on retirement.

CAMP LEVIEUX NHDC ESTATE - WATER LEAKAGE

(No. B/77) Mr J. Cuttaree (Second Member for Stanley & Rose Hill) asked the Minister of Housing and Lands whether he will state if he is aware of the water leakage problem in the apartments at the NHDC Estate at Camp Levieux and, if so, will he, for the benefit of the House, obtain from the National Housing Development Company Ltd. information as to the remedial measures it proposes to take.

(Withdrawn)

DEVELOPMENT PROJECTS -ADDITIONAL STIMULUS PACKAGE

(No. B/78) Mr J. Cuttaree (Second Member for Stanley & Rose Hill) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the Additional Stimulus Package, he will state if Government proposes to extend to first time buyers of residential property for development projects exemption from registration duty.

(Vide reply to PQ No. B/27)

RODRIGUES - ECONOMIC BULBS - SALE

(No. B/79) Mr J. R. Spéville (Second Member for Rodrigues) asked the Deputy Prime Minister, Minister of Renewable Energy and Public Utilities whether, in regard to the sale of economic bulbs to consumers in Rodrigues, he will, for the benefit of the House, obtain from the Central Electricity Board, information as to if a delegation of the Board recently proceeded to Rodrigues for the launching thereof and, if so, will he state –

(a) its composition, and

(b) a breakdown of the expenses incurred in connection therewith.

Reply: I am informed that a delegation comprising the Chairman, the General Manager and the Corporate Planning and Research Manager proceeded to Rodrigues for the launching of the sale of CFL lamps, which was held on Monday 16 February 2009.

The expenses incurred in connection with the visit of the delegation is –

Air Tickets Rs25,725

Hotel Accommodation Rs3,061.25

Food and Beverages Rs8,809.00

An amount of Rs42,173 was spent for the launching ceremony which included about 150 guests and Rs13,834 for a Working Dinner with the Chief Commissioner and other members from the Rodrigues Regional Assembly.

RODRIGUES - VULNERABLE GROUPS - HOUSING ALLOCATION

(No. B/80) Mr J. R. Spéville (Second Member for Rodrigues) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the allocation of houses to the vulnerable groups in Rodrigues, he will state if any housing project has recently been approved and, if so –

(a) indicate the eligibility criteria, and (b) table a list of the beneficiaries thereof.

Reply: I am informed that on 10 October 2008, the Management Committee of the Trust Fund for the Social Integration of Vulnerable Groups approved the construction of 21 housing units for vulnerable families in Rodrigues for a total sum of Rs2,221,795.

With regard to part (a) of the question, the beneficiary should satisfy the following criteria –

(a) household income being less than Rs4,000 monthly;

(b) beneficiary should be the owner of land or should have a lease agreement, and

(c) the existing house is in poor state, is overcrowded or the beneficiary does not own a house;

As far as part (b) of the question is concerned, the list of 21 beneficiaries is being tabled.

RODRIGUES - SIR GAËTAN DUVAL AIRPORT - RUNWAY

(No. B/81) Mr J. Von-Mally (Fourth Member for Rodrigues) asked the Vice-Prime Minister, Minister of Tourism, Leisure and External Communications whether, in regard to the construction of a new runway at the Sir Gaetan Duval Airport, Plaine Corail, he will state where matters stand.

Reply (The Vice-Prime Minister, Minister of Tourism, Leisure and External Communications): The existing runway at the Sir Gaetan Duval Airport is of 1278 m and only ATR 72 crafts are able to service Rodrigues Island. Thus, the present airport infrastructure do not cater for cargo operations and impacts negatively on the number of passengers visiting the island.

With a view to promoting the economic development of the island, Government decided to undertake a feasibility study of the airport development project which will comprise –

(a) a new runway of 2100 m length (for the short-term) with the possibility of extension up to 3000 m;

(b) the reduction in cost of the project through a new alignment of the proposed runway; and

(c) a cost-benefit analysis.

At this stage, I am informed that the draft terms of reference for the feasibility study has been prepared by the Rodrigues Regional Assembly and is being finalised. In the meantime, the

Rodrigues Regional Assembly is in the process of identifying an alternative site for the relocation of some 17 houses falling within the new proposed runway alignment.

RODRIGUES -TOURISM INDUSTRY - MEASURES

(No. B/82) Mr J. Von-Mally (Fourth Member for Rodrigues) asked the Vice-Prime Minister, Minister of Tourism, Leisure and External Communications whether he is aware of the economic difficulties being faced by the tourism industry in Rodrigues and, if so, will he state the measures he proposes to take to reduce its downward trend and stimulate its growth.

Reply: I am advised that the responsibility for the formulation and implementation of policy in the tourism sector rests with the Rodrigues Regional Assembly, in accordance with section 26 of the Rodrigues Regional Act. The responsibilities and functions are exercised on behalf of the Rodrigues Regional Assembly by the Commission for tourism which is allocated with a budget and staffed with the appropriate manpower. However in order to support the tourism industry to overcome the economic difficulties that it is presently facing, my Ministry, through the MTPA, has taken a series of measures as follows –

- (a)* Allocation of an additional amount of Rs6 m. to Rodrigues to promote the island, in addition to the budget allocated by the Rodrigues Regional Assembly;
 - (b)* Facilitation of the participation of the Rodrigues Tourism Operators and the Rodrigues Tourism Office in major international and regional tourism fairs;
 - (c)* Carrying out of promotional campaigns in Mauritius such as advertising in the local media, on the MTPA website, on billboards, at point-of-sales of hypermarkets;
 - (d)* Use of plasma screens at the SSR International airport to advertise the attractions of Rodrigues;
 - (e)* Production of promotional materials for Rodrigues such as maps, brochures, and
 - (f)* Organisation of visits for foreign journalists as well as familiarisation trips for foreign tour operators and travel agents.
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In addition to the above measures, my Ministry has arranged for the passenger service charge on the Rodrigues route to be waived. I am sure that the hon. Member will appreciate the efforts being made by my Ministry to assist the tourism sector in Rodrigues to overcome its present economic difficulties.

REDUIT DRAINS - CONSTRUCTION

(No. B/83) Mr S. Naidu (Third Member for Beau Bassin & Petite Rivière) asked the Minister of Public Infrastructure, Land Transport and Shipping whether, in regard to flood prone areas in Reduit, he will state if necessary clearances have been obtained from the Moka/Flacq District Council for the construction of drains thereat.

Reply (The Minister of Environment): Drain projects are normally undertaken by either the Road Development Authority or the National Development Unit for Local Authorities. I am informed that the Road Development Authority has no drain project in the region of Reduit. However, for the same region, the National Development Unit has, after consultation with Moka/Flacq District Council, identified three specific locations along Soobiah Avenue for the construction of drains. The projects are still under consideration.

SUMMER TIME - GOVT. POLICY

(No. B/84) Mr S. Naidu (Third Member for Beau Bassin & Petite Rivière) asked the Deputy Prime Minister, Minister of Renewable Energy and Public Utilities whether he will state if Government proposes to maintain summer time this year.

(Vide reply to PQ No. B/31)

VANDERMEERSCH STREET -TRAFFIC CONGESTION

(No. B/85) Mr S. Naidu (Third Member for Beau Bassin & Petite Rivière) asked the Minister of Public Infrastructure, Land Transport and Shipping whether, in regard to the traffic congestion at the Vandermeersch Street, between Beau Bassin and Rose Hill, especially in the morning, he will state the remedial measures Government proposes to take.

(Withdrawn)

SIR SEEWOOSAGUR RAMGOOLAM STREET, PORT LOUIS - STREET LIGHTING

(No. A/1) Mr S. Lauthan (Third Member for Port Louis Maritime & Port-Louis East) asked the Minister of Local Government, Rodrigues and Outer Islands whether he will state if he is aware of the lack of street lighting points along the Sir Seewoosagur Ramgoolam Street, Port Louis and, if so, will he, for the benefit of the House, obtain from the Municipal Council of Port Louis, information as to if consideration will be given for the reviewing of the whole street lighting system thereat, in view of the fact that the lighting points are far apart and that the street is busy at night.

Reply: I am informed by the Municipality of Port Louis that the issue of reviewing the whole street lighting system along Sir Seewoosagur Ramgoolam Street has already been considered and it is envisaging the installation of 24 additional poles and lanterns along that street.

IBRAHIM ABDOOLLAH MARKET FAIR, CITÉ MARTIAL - UNDERPASS

(No. A/2) Mr S. Lauthan (Third Member for Port Louis Maritime & Port-Louis East) asked the Minister of Local Government, Rodrigues and Outer Islands whether he will state if he is aware that the pedestrian underpass leading to the Ibrahim Abdoollah Market Fair, Cite Martial, from Fouquereaux Street, is not operational and, if so, will he, for the benefit of the

House, obtain from the Municipal Council of Port Louis, information as to the remedial measures that will be taken.

Reply: I am informed by the Municipality of Port Louis that the pedestrian underpass from Fouquereaux Street to the Ibrahim Abdoollah Market Fair is operational.

I am further informed that the underpass is meant to be operational on Fair days only, that is, Tuesdays, Thursdays and Saturdays. During the remaining days, access to the Fair through the pedestrian underpass is prohibited for security reasons.
