

MAURITIUS
FOURTH NATIONAL ASSEMBLY

Debate No. 2 of 2009

Sitting of Tuesday 7 April 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)

PAPERS LAID

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

A. Prime Minister's Office –

(a) The Representation of the People (Variation of Dates) Order, 2009
(Government Notice No. 37 of 2009).

(b) The Annual Report of the Civil Status Division for the year 2006 –
(No. 2 of 2009).

B. Ministry of Education, Culture and Human Resources –

The Annual Report 2006-2007 of the Industrial and Vocational Training Board.

C. Attorney-General's Office –

The Supreme Court (Preparation of briefs) Rules 2009 (Government Notice No. 36 of 2009).

ORAL ANSWERS TO QUESTIONS

**AIR MAURITIUS LTD - FINANCIAL FORECAST 2008-09,
HEDGING ISSUE, ETC**

The Leader of the Opposition (Mr P. Bérenger) *(By Private Notice)* asked the Vice-Prime Minister, Minister of Tourism, Leisure and External Communications whether, in regard

to the financial situation of Air Mauritius Ltd., he will, for the benefit of the House, obtain from the Company, information as to –

- (a) its revised financial forecast for 2008-2009, indicating the sustainability of its monthly cash flow;
- (b) if it has an on-going Action Plan, indicating the main measures and initiatives contained therein and taken for its survival;
- (c) the impact of the slowdown of tourists arrival thereon;
- (d) where matters stand concerning the hedging issue, and
- (e) how the leadership issue, if any, thereat, is being addressed.

The Vice-Prime Minister, Minister of Tourism, Leisure & External Communications (Mr X. L. Duval): Mr Speaker, Sir, in my replies to PQ Nos. B/30, B/38 and B/63 on Air Mauritius last week, I had informed the House that I was not in a position to disclose any figures relating to the financial situation of the Company other than for the nine months ended December 2008 which had already been published by the Company, and which indicated a loss of 18.2 m euros for that period.

I wish to reiterate that I am still not able to disclose figures for the full financial year ended 31 March 2009 because, as the House is aware, Air Mauritius is a Company incorporated under the Companies Act and managed by its Board of Directors. Moreover, it is a listed Company quoted on the Mauritius Stock Exchange whereby Listing Rules 11.3 in particular 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.

I am, however, Mr Speaker, fully appreciative of the rightful concern of the hon. Leader of the Opposition and of Members of the House. I will therefore try to provide such information as is possible within the limits of the law.

Mr Speaker, Sir, it is important for the House to appreciate that the current financial difficulties of Air Mauritius are the result of a number of factors triggered by the international economic crisis, namely, the volatility of the Euro vis-à-vis the Dollar, the fluctuation in the price of oil and recession in the main tourist markets. These factors are beyond the control of the Company. However, I must reassure the House that a series of measures are being taken by the Company so that it can face the onslaught of the current and future challenges, principally with regard to achieving maximum load factors on its flights, reduction in its operating costs and sale of non-core assets.

Mr Speaker, Sir, I am informed by Air Mauritius Ltd that on the basis of assumption such as –

- (a) the current level of Brent;

- (b) the Euro-USD ratio;
- (c) the forecast level of its operational revenues;
- (d) the projected sale of some of its non-core assets, and
- (e) internal cost savings.

The projected monthly cash flow is expected to be positive and sustainable, within the overdraft and loan facilities already obtained by the Company. However, the House will note that this situation is subject to external factors such as the ratio Euro-USD and fuel prices over which the Company has no control. A deterioration in any of these parameters may still seriously affect cash flows. The Company is, therefore, planning a Right Issue of 35 m. euros to cater for unforeseen circumstances and to strengthen its balance sheet.

The House may note, as at the beginning of April, the Company had in place overdraft facilities of 67.7 m. euros available cash facilities, after taking into account these overdraft facilities were approximately 40 m. euros, that is, some Rs3 billion as at 01 April 2009.

As regards part (b), I am informed that Air Mauritius Ltd has embarked on a Plan to address its current financial difficulties. This Plan seeks on the one hand to enhance the revenues of the Company and on the other hand to implement a cost reduction programme. The Plan includes the following key initiatives –

- (i) disposal of the non-core assets, namely, sale of its interest in MEDCOR Building;
- (ii) outright sale of A340 engine and sale and lease back of 2 A340 engines.

In addition, the Company is implementing a series of cost saving measures which include

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- (i) re-negotiation of contract with main suppliers;
- (ii) reduction of administrative costs;
- (iii) review of representation in outstations;
- (iv) review of operating pattern, particularly fleet utilization, that is, back to back operations on certain routes (Australia and Hong Kong), and
- (v) return of one A340 in October 2009 and the possibility of leasing out another A340 during the current financial year.

Furthermore, the Company is reviewing its manpower plan, especially, in the Flight Operations Department, termination of contract of some expatriate pilots, non-renewal of contracts of expatriate pilots and, more importantly, the implementation of a leave without pay policy whereby both local employees and expatriates are being encouraged to take leave without pay for a maximum period of up to 2 years. These measures will relieve the monthly labour costs.

Mr Speaker, Sir, I am further informed that a Transformation Programme has been initiated since October 2006 following the recommendations made by McKinsey. This programme consists of some 119 initiatives and the total realized savings as well as revenue enhanced in financial year ending March 2008 amounted to some 30 m. euros and are expected to yield some 47 m. euros for the financial year just ended.

Seventy-two initiatives have been successfully implemented and 39 are in progress.

Regarding part (c) of the question, the House would wish to know that the cost of air travel has, in general, affected tourist arrivals the world over. Indeed, all destinations have been affected by this global phenomenon, and Mauritius is not shielded from its impact.

Mr Speaker, Sir, in its Press Release dated 24 March 2009, IATA has announced a revised outlook for the global air transport industry with losses of USD 4.7 billion in 2009. The Release indicates that these figures are significantly worse than the Association's December 2008 forecast for a USD 2.5 billion loss. This reflects a rapid deterioration of the global economic conditions.

Mr Speaker, Sir, there is no doubt that the slowdown in tourist arrivals has impacted negatively on the operating revenue of Air Mauritius Ltd with the result that its financial figures for the last quarter have witnessed a decline of some 20%, against the corresponding quarter of last year.

Consequently, the Company has had to review its capacity deployment to reflect the declining trend in passenger and cargo traffic. Similarly, the difficult financial situation of Air Mauritius implies that the airline is less able to operate marginal flights and to service marginal markets. It is opportune for me, Mr Speaker, Sir, to make an appeal to all stakeholders, tour operators and *hôtelières*, to promote the markets which are served by Air Mauritius and to ensure that adequate pricing and allocation of room capacity are made on those markets.

With regard to part (d) of the question, the Company is currently working with Lazard Frères, a renowned investment bank in order to review its hedging transactions. Following the recommendations of Lazard Frères, a restructuring exercise is being undertaken so as to –

- (i) reduce exposure and collateral risks associated with falling prices, and
- (ii) reduce the monthly hedge settlements.

Already, 40% of the hedge portfolio has been unwound at a cost of 50 m. euros. As disclosed by the Company in a cautionary announcement dated 06 April 2009, the Company has

mainly used the cash collateral previously deposited with the hedging counterparties to complete the close-out transaction. Lazard Frères is at present holding discussions with hedging counterparties with a view to making recommendations regarding the remaining portfolios.

Mr Speaker, Sir, as regards part (e), I wish to reiterate to the House that the current management of Air Mauritius Ltd has a good track record as I have shown above. Were it not for the unfortunate hedging issue, the Company would have been able to fully withstand the current economic crisis. I wish to reassure the House that Air Mauritius Ltd has recently finalised the appointment of a high profile professional to oversee its Finance and IT Department. I am informed that the incumbent will assume duty this week.

Mr Speaker, Sir, I wish to state to the House that Government is fully supportive of all the efforts of Air Mauritius Ltd. I wish to make an appeal now to all staff members to show great commercial awareness, provide excellent service on ground and in flight, participate fully in cost savings measures and to act in a responsible manner so that the Company comes out of this situation stronger than ever.

Mr Bérenger: Mr Speaker, Sir, I had asked the hon. Minister the revised financial forecast for financial year 2008-2009 at Air Mauritius which ends in March 2009. I asked for the revised financial forecast, not the audited or final accounts. Can I remind the hon. Minister that he, himself, on 12 June 2008, gave an estimate for financial year of 2008/2009 and his figure was a profit of some 4 m. euros? Can I ask instead, en *ordre de grandeur*, of 4 m. euros, am I right in saying that there will be a loss of more than 20 m. euros?

Mr X. L. Duval: Mr Speaker, Sir, that is a problem with issuing forecasts. In fact, the forecast is already finished, but it is an estimate of what happened last year. There is a problem, it has to disclose on the Stock Exchange. There were some representations last time when I actually gave the figures to the House. That is the first thing.

Secondly, there are two things impacting the accounts, Mr Speaker, Sir.

Firstly, there are the realized hedging losses which, I think, have already been disclosed should amount about 40 m. euros and secondly, Mr Speaker, Sir, there are the unwound transactions which have been effected within the last few days and which will cause a loss of about 50 m. euros. We know that around, Mr Speaker, Sir, 50 m. to 100 m. euros will be hedging losses which are realised or unwound transactions. The rest, Mr Speaker, Sir, is the operating result which, as far as the figures we know, at the moment, are going to be positive. But, unfortunately, I cannot give any accurate estimate before the audit and respecting the stock exchange priority on information.

Mr Bérenger: The hon. Minister said that the cash flow is sustainable, will be positive. I am sure he will agree with me that right now Air Mauritius is making a loss monthly. Being given that, by the end of the day, Government will have guaranteed something like Rs11 billion on two hedging parts - one is already done and the other one requested, and then the loan to be guaranteed from the National Pension Fund – billions and billions - can I know how Air Mauritius is planning to reimburse that money?

Mr X. L. Duval: Mr Speaker, Sir, firstly, we are talking about guarantees of USD165 m or USD170 m, which are about Rs6 billion. It is not as much as estimated by the Leader of the Opposition.

Secondly, Mr Speaker, Sir, we are talking about guarantees. We must understand the difference between guarantees and cash given to the companies. Guarantees are not reimbursed. They lapse after some time. Guarantees are being given to the hedge counterparties and to banks to cover overdrafts and the collaterals that are required. Every day, in fact, these sums of these guarantees are lapsing as time goes by and with the pickup in the USD in the cost of the price of the barrel of oil. We are not talking of reimbursement. Air Mauritius will not have to reimburse one penny to the Government because Government has not given it even R1, but it has to ensure that it meets its commitments to the bank so that, in fact, these guarantees do not crystallised.

Mr Bérenger: The figures which I have used are the figures provided by the Minister last week. Already the guarantees given by Government, already US\$135 m., he told us that a further 135 m. euros any time – it has probably been done already - and then on the prices of petroleum products a further 137 m. euros. Obviously, I have never said that the Company will have to refund Government, but Government will have to foot the bill if Air Mauritius does not pay those banks. How is Air Mauritius planning to pay those banks on the hedging and the National Pension Fund loan?

Mr X. L. Duval: Mr Speaker, Sir, if I may allow myself to say this. I think there is some confusion as to what is the guarantee that is given and the realised loss of Air Mauritius. These are two different things. The guarantee that has given is the US\$135 m. and the 135 m. euros. These are guarantees. Now the loss that Air Mauritius has made is different from the guarantees. How it is going to finance a loss is another issue. The hon. Leader of the Opposition is presuming, firstly, that it is going to make a loss. This is the worst case situation, firstly, but, secondly, the hon. Leader of the Opposition is presuming that it will come to Government to ask a guarantee. It is not presuming to do, as I mentioned.

As far as the cash flow is concerned, it is important to know that, as we speak today, the euro and the dollar rate is approximately 132/133. This is very positive for Government.

The second issue is that the price of barrel of oil is US\$52/53. Again, this is very positive. I mean if this continues like this, we do not have a major problem for Air Mauritius. However, this is what I mentioned – and I think everybody knows this - any fall in the ratio of the US\$ and the euro has a substantial impact on the cash flow of Air Mauritius. Its main revenues are in euro and its main expenditures are in dollars. Obviously, a 10% fall in the ratio euro to US\$ will have consequential impact on the performance. Mr Speaker, Sir, to reiterate, as at today's date, if we continue like this, then it is comfortable. No one can predict whether the euro rate will stay like that or what is going to be the price of the barrel of petrol, but as at to day's date we are comfortable.

Mr Bérenger: I asked the hon. Vice-Prime Minister whether Air Mauritius has a Plan of Action because he, himself, was adamant and said - I am quoting him in 'Business Magazine' of 04 February - "*Nous avons un plan d'action; la lumière est au bout du tunnel. Nous savons exactement ce que nous devons faire* on his part". Then he made reference to the fact that since 2006, there is a Transformation Programme being operated by Air Mauritius and then we have the virtual Chief Executive Officer, Sir Kishore Beegoo, who comes forward with his own plan, re-inventing Air Mauritius and splitting it into five different companies, five different parts. Can I know which is which?

(Interruptions)

I do not think it is a laughable matter. We want to know which is which? Is there a Plan of Action agreed by everybody?

Mr X. L. Duval: Mr Speaker, Sir, let me say, firstly, of the Transformation Programme, I must say that when we took over the prospects - I was talking about three years ago - for Air Mauritius in the light of liberalisation of the air, it was, in fact, difficult. Air Mauritius appointed McKinsey and it came up with big plan. This plan has yielded results, Mr Speaker, Sir. There are very substantial and identifiable results from the McKinsey initiative which I mentioned. I think more than 40 m. euros saving and revenue in hands are coming from McKinsey which deals with operational things and maintenance issues, etc. This has a renegotiable maintenance contract, etc. This is a fact, Mr Speaker, Sir. On top of that, with the financial crisis, Air Mauritius has had to tighten its belt further and, no doubt, will tighten further as things go on. This tightening of the belt of Air Mauritius is expected to yield something like 10 million euros of additional savings, additional to the McKinsey initiative.

Mr Bérenger: Mr Speaker, Sir, the hon. Minister gave us some of the measures that are being taken by Air Mauritius to survive, including rights issue. Can I know whether the rights issue will be opened to existing shareholders or to anybody?

Mr X. L. Duval: Mr Speaker, Sir, by definition a rights issue is to existing shareholders. Existing shareholders may sell their rights. This is why it is called rights issue. They may sell their rights to outside shareholders. But it is better to issue the rights to existing shareholders.

Mr Bérenger: Will it be opened to others?

Mr X. L. Duval: Mr Speaker, Sir, the rights issue is opened only to shareholders, who are able to sell or not to sell their rights to others.

Mr Bérenger: But nothing prevents Government or Air Mauritius to opening to new shareholders. My point is whether it will be opened to new shareholders.

Mr X. L. Duval: In this case, it will not be a rights issue. It will be an increase in capital. Let's say that the share price is low at the moment. Therefore, it would be unfair to accept outside shareholders. Government itself may lose out, because they would be selling at a very

low price. This is why the rights issue is being resorted to, which will address to existing shareholders. It has been said that shareholders can sell their rights, that's their problem. But, this is to protect the existing shareholders and to avoid a dilution of their shares at a time when the shares are trading at a very low price.

Mr Bérenger: Amongst the measures envisaged, can I ask the hon. Minister whether he will confirm that, at this stage, at least, that no layoffs are envisaged?

Mr X. L. Duval: Mr Speaker, Sir, on the issue of layoffs, it is good for me to mention a fact. I am not going to go into the political situation, but it just happens that, under the last Government, there was a 25% increase in manpower at Air Mauritius. That is a fact, Mr Speaker, Sir. 1,200 people were hired; some left, and the net increase in the staffing of Air Mauritius - that is, the 25% - turned out to 500 people additional. Since we took over, there has been a net decrease of some 300 people in the staffing of Air Mauritius. Nobody can say what the future will hold. But, we are making an appeal to all the staff members, to the unions, to everybody to assume fully their responsibilities. Obviously, no Government is in the business of firing people.

This is not our business. We will do our best to protect the interest of everybody concerned, including the interest of Air Mauritius and the interest of Mauritius. It is not our wish to do so, but at that moment that may be inevitable if people do not take their responsibility. However, Mr Speaker, Sir, we are resorting to some termination of contracts for the expatriates, particularly pilots. As there has been a reduction in the flights flown by Air Mauritius, there has been a reduction in expatriate pilots and there is a programme of offering leave without pay; many of the staff want to pursue further studies, and we are asking some of the expatriate pilots to take some leave for some time to see their families and I must say, Mr Speaker, Sir, that every airline is resorting to this practice.

Mr Bérenger: Mr Speaker, Sir, the figures I have heard in reference to the impact on the finances of Air Mauritius, of the slowdown of tourist arrival thereon, are very disturbing. Can I ask the Minister whether it is a fact that Air Mauritius is losing market share, especially to British Airways and to Emirates and partly as a result of cancelled flights and last minute cancellation of flights?

Mr X. L. Duval: I must admit, Mr Speaker, Sir, that there has been some erratic behaviour which has been raised with the management of Air Mauritius. In fact, when we are talking about a fall in revenue of 20%, we are talking about a fall in passenger members of 15% of the last six months. Obviously, Mr Speaker, Sir, the troubles that Air Mauritius has had may have impacted on its ability to promote. I do not have relative figures as far as the other airlines are concerned, but I must say that we are monitoring the load factors of Air Mauritius very carefully and the other airlines and I must say that for some time now it is defending itself on the markets.

Mr Bérenger: On the hedging issue, can I ask the hon. Minister whether there has been a full-fledged inquiry on what took place? What was the role of the former Chairperson who chaired the committee that dealt with it, whether it is linked to the departure of Mr Bhujoharry from Air Mauritius, what exactly happened? Who bears responsibility for that hedging mess?

Mr X. L. Duval: Mr Speaker, Sir, as it is said the road to hell is paved with good intentions and this is exactly what happened to Air Mauritius. Faced with an unprecedented situation of rises in the price of fuel, unexpected rises up to about 200 to have attended per barrel, the management reacted to the increase in the hedge ratio from 45% to reach about 80% of its expected fuel requirements and it did so in the light of the information that was available. Obviously, Mr Speaker, Sir, it is an unfortunate decision. Nobody can deny that. At that time nobody could say what was the situation, but there has been an inquiry and following that inquiry, as the House is aware, the Financial Controller and the Chairperson left the company.

Mr Bérenger: The Minister has given us some new figures on the hedging issue. Does he remember that he gave wrong information to the House when a Private Notice Question was answered on 12 June 2008? He said then that 41% of the fuel costs were covered - in fact, it is 80% - and the hedging arrangements were for one year only. Can I ask the hon. Minister whether he has inquired into that? Was he fed with the wrong information or he got it wrong?

Mr X.L. Duval: Mr Speaker, Sir, at the time of answering the PNQ, it was 41%, but I accept that if you look carefully at the contract, although it is for one year, it is extendable for another year. I accept that second part about the one year. There is no doubt about that. Obviously, not all contracts are extendable and some are extendable and these are the ones at the moment. So, this is partially right, the 41% was right as far as I am aware. I can accept that.

Mr Bérenger: We know what salaries and what fringe benefits Mr Viljoen will get from Air Mauritius. Can we know the fees that were finally paid to Lazard *Frères*?

Mr X. L. Duval: Mr Speaker, Sir, we do not know what are the fees payable to Mr Viljoen. I must say - and that is unfortunate - that the figures that have repeatedly been quoted in the press are grossly exaggerated. I give the previous Prime Minister the information. Mr Viljoen is not earning more than earned Mr Cornwell Muleya who was appointed by the previous Government. The hon. Leader of the Opposition can go and check the figures and he will see that the press is grossly overstating the amount. That is unfortunate at a time when a company is down; you don't kick a man when he is down. That is not right. Thank you, Mr Speaker, for giving me the opportunity to clarify this issue so far as Mr Viljoen is concerned. Mr Viljoen has an impressive track record as CEO of South African Airways and is assuming two roles of Chief Finance Officer and Chief Information Officer.

As regards the Lazard *Frères*, Mr Speaker, Sir, the main part of their nomination will be on a success basis if, in fact, they achieve a certain success. It is not possible to determine more at this stage what it is, it will be a win win basis. The more Air Mauritius gets, then they will be paid part of it.

Mr Bérenger: Will the hon. Minister agree with me that in a difficult situation like the one Air Mauritius is in - and Air Mauritius is Air Mauritius and Mauritius forms part of its name - if something wrong is published in the press, he must not have to wait for a Private Notice Question from the Leader of the Opposition, that Air Mauritius should do the necessary *mise au point* and correct the wrong information, if wrong information there is.

(Interruptions)

Mr X. L. Duval: Mr Speaker, Sir, everyday there is wrong information. “L’Express”, yesterday or a day before, said that I was using four or five limousines; in fact, literally there was a minibus. I can’t spend all my time replying to what happens, especially, Mr Speaker, Sir, since it is a difficult issue - *salir* someone; we don’t want to do that. Anyway, it is a fact and I have given the exact figures to the House.

Mr Speaker: Can we go to hon. Jugnauth first and then I’ll come back to the other Member?

Mr Jugnauth: Mr Speaker, Sir, since money borrowed by Air Mauritius, as a result of guarantees provided by Government, is being utilised for current expenditure, does the Vice-Prime Minister agree that such Government guarantees are, in fact, being provided in violation with section 8(1) of the Public Debt Management Act of 2008 and, if no, has he sought legal advice to that effect?

Mr X. L. Duval: Mr Speaker, Sir, obviously, this is something which relates more closely to the Ministry of Finance. But I am informed, firstly, that everything is legally in order; secondly, Mr Speaker, Sir, that money is fungible. You cannot, in fact, trace where it goes. It is fungible and, therefore, given these two factors, I am very comfortable with what has happened.

Mr Speaker: Hon. Bodha!

Mr Bodha: Thank you, Mr Speaker, Sir. May I ask the Vice-Prime Minister whether in these periods of turbulences, we should not have a clear-cut leadership in the cockpit of the Air Mauritius? Because we don’t have a Chairman of the Board; at the Risk Management Committee we don’t have a clear-cut team; we have somebody else coming as No. 2, and the impression we have is that it is a very haphazard team trying to implement a very hazy Action Plan.

Mr X. L. Duval: Mr Speaker, Sir, there are two ways you can look at the chairmanship issue, you can look at coming to reinforce the management structure or to divide the management structure. We all know this; you can divide the management structure.

At the start, I must say it was a conscious decision to leave it like this, so that there is a very, very strong leadership at the Head, so far as the CEO is concerned, Mr Speaker, Sir. If you look at the history of fights between Chairmen and Managing Directors, you will know what I am saying, Mr Speaker, Sir.

As far as the Risk Management Committee is concerned, Mr Speaker, Sir, I must say that right from the start, it was changed and, in fact, all members of the Board are, *de facto*, members of the Risk Management Committee. There is an Ag. Chairman as far as the Board of Director is concerned.

Mr Dulloo: Mr Speaker, Sir, the Vice-Prime Minister - especially Government - has systematically refused to communicate to the House the hedging contract, - this against all the

norms of transparency and accountability - and the hon. Minister has just said that one of the measures being adopted is the renegotiating of contracts with partners and suppliers. So, will this include the renegotiation of the hedging contract and whether it is not one of the terms of this renegotiation that Government should give guarantees to all that Air Mauritius is owing? Because the creditors, including the hedging contractor, do not trust in the capacity to pay or the creditworthiness of Air Mauritius.

Mr X. L. Duval: Mr Speaker, Sir, there is some mixture of things here. Firstly, we are unable to provide details over hedging contracts, because there are four banks, not just one bank. Not all the banks know what are the hedging contracts, maybe the other banks do; so, it is impossible. It would not make any sense for us to provide it, it would be counter-productive. Secondly, Lazarre Frères have made it very clear to Government that this must stay confidential for it to be able to carry out its negotiation separately with each of the banks. I am sure the hon. Member will understand that. Now, to understand the hedging contracts, Mr Speaker, Sir, you must understand that the liability is paid up front. In fact, we have paid upfront the liability up to August 2010, depending on market to market. So, in fact, there is no question that a renegotiation will entail future guarantees by Government because, in fact, the liability has already been assumed and has already been given as collateral to the hedging counterparties.

Mr Speaker: Hon. Lesjongard!

Mr Lesjongard: Thank you, Mr Speaker, Sir. The Vice-Prime Minister and Minister of Finance, in his reply to PQ No. B/27, last week, said that some of the money for Air Mauritius may have to come from the Contingency Fund. Can we get an indication of how much money will be used by Government from the Contingency Fund?

Mr X. L. Duval: Mr Speaker, Sir, I understand from my colleague that we are talking in the event that there is a rights issue, then some of the money. As I think was answered last week, no money has been disbursed by Government as at today, so there is no question a Contingency Fund at this stage. Now if and when- I suppose - it will happen anyway, there is a rights issue. I cannot answer in the name of the Minister of Finance, but it may come from the Contingency Fund.

(Interruptions)

Mr Speaker: Hon. Leader of the Opposition!

Mr Bérenger: My last question will relate to the leadership issue. The Vice-Prime Minister, whilst replying to my own question and then to a supplementary question from hon. Bodha, gave the impression *que tout va très bien, Madame la Marquise*, in terms of leadership at Air Mauritius. Can I put it to the Prime Minister and the hon. Vice-Prime Minister that this is not the case at all? We have a virtual Chief Executive Officer, Mr Beegoo, who insults Air Mauritius leadership, says anything. But, he is presented as the key man in this sector.

(Interruptions)

No, not at all! He is doing it at Air Mauritius.

The General Manager has no authority left with that kind of situation. Then you have Mr Viljoen, who clearly will not be No. 2; he will be No 1(bis); then we have a political Chairperson. We hear that we have another political Chairperson, if we don't already have that. I mean, this is playing with fire in a situation like Air Mauritius. Can I put it to the hon. Prime Minister and the hon. Vice-Prime Minister that we should pick carefully *un oiseau rare*, a strong Chairperson, with a strong track record, and a team player that will get all this together, will work with the Chief Executive Officer. And that kind of *oiseau rare* exists in Mauritius; and I am prepared to make suggestions to the hon. Prime Minister and to the hon. Vice-Prime Minister certainly.

Mr X . L. Duval: Mr Speaker, Sir, let me end on a consensus note. There is no doubt, Mr Speaker, Sir, that we must find and appoint the right person as a Chairperson at Air Mauritius. There is no doubt about that. As far as Mr Beegoo is concerned - I have four questions on that today - I must say that what has happened, as far as I understand, the Board has asked Mr Beegoo to help *un dégel des relations* between the unions and the Management. Mr Beegoo, in the exercise of this particular function, which is time-bound for another three weeks, I think, may have given his own opinion which may have been inter-related with the actual policy of Government. However, I must say that there is a good idea of actually encouraging the shop floor, *les petites mains*, the people who actually work in Air Mauritius to come up themselves with ideas on how to improve their work and the work of Air Mauritius. This is also what Mr Beegoo is talking about, which is a good idea, which is being implemented, which is revamped also as if, Mr Speaker, Sir, involving the whole rank and file in proposing the measures to make Air Mauritius more successful. Government is committed to Air Mauritius. I wish to reassure the House that it is committed and that it will do whatever is necessary to ensure its future prosperity. Thank you.

Mr Speaker: Time is over! The Table has been advised that PQ No. B/94 addressed to the hon. Prime Minister has been withdrawn. Questions addressed to the Dr. the hon. Prime Minister! Hon. Mrs Hanoomanjee!

DEOXYRIBONUCLEIC ACID (DNA) IDENTIFICATION BILL – INTRODUCTION

(No. B/86) Mrs S. Hanoomanjee (Second Member for Savanne & Black River) asked the Prime Minister, Minister of Defence and Home Affairs whether in regard to the Deoxyribonucleic Acid (DNA) test, he will state if he will consider introducing legislation with a view to making it compulsory for a suspect to undergo same.

The Prime Minister: Mr Speaker, Sir, a Deoxyribonucleic Acid (DNA) Identification Bill is currently under preparation. The object of the Bill is to enable the Police, in certain specific circumstances in connection with serious offences, to make use of DNA samples for the purpose of helping to establish the connection or involvement of a person with an offence.

My Office is having consultations on the draft Bill with a wide range of stakeholders, (that is the reason why we could not bring the Bill in the last session), amongst others, apart from the Attorney-General's Office, the Ministry of Health and Quality of Life, the Police Department, the Forensic Science Laboratory, the National Human Rights Commission, the Data Protection Commissioner's Office and the Law Reform Commission. Also foreign assistance from the U.K. and France have also been obtained for the preparation of this legislation.

Mr Speaker, Sir, the Bill will address the issue on whether or not a non-consenting suspect may be obliged to provide a forensic sample and, if so, in what circumstances. We have to balance on the one side the right of privacy and the right of an accused party with also the rights of the general public to security and safety and the rights of the victim and his/her close relatives. Therefore, we will be coming with the Bill shortly.

Mrs Hanoomanjee: Mr Speaker, Sir, for quite some time now, the hon. Prime Minister has been saying that the Bill is under preparation. We understand it is a very complex one, but can the hon. Prime Minister say whether parallel to the preparation of this Bill, the staff also is being trained to man the sophisticated equipment and also at the level of the Police the required training is being provided?

The Prime Minister: The short answer is 'yes' to both the hon. Member's questions.

Mr Bodha: Mr Speaker, Sir, may I ask the hon. Prime Minister whether so far, in any case, DNA testing which is being done abroad has been used in any trial in Mauritius?

The Prime Minister: In fact, there are certain cases. As you know, when I was on official visit to France, I did ask the then Interior Minister, who is now the President of France, to see whether we can re-look at some of the cases which have been unresolved. He acted very promptly, but, unfortunately, bureaucratic impediments took longer than we thought, but this is being done.

Mr Ganoo: Mr Speaker, Sir, in view of the complex nature of this legislation, once all the stakeholders have been consulted, can the hon. Prime Minister circulate the Bill to the Members of the House a few weeks before, a reasonable time for us to be able to intervene on this complex piece of legislation?

The Prime Minister: Certainly a few weeks, but I hope it doesn't become too long, But I will give ample time for the Opposition to have a look at it.

MR H. B. - ARREST - SWISS AUTHORITIES

(No. B/87) Mrs A. Navarre-Marie (First Member for GRNW & Port Louis West) asked the Prime Minister, Minister of Defence and Home Affairs whether he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if he has been informed by the Swiss Authorities that one Mr H. B., a driver of the Mauritius Telecom, was recently arrested in Switzerland for being in possession of Rs300m.

The Prime Minister: Mr Speaker, Sir, with your permission, I shall reply to Parliamentary Question Nos. B/87 and B/108 together as they relate to the same issue.

I am informed by the Commissioner of Police that there is no police record of any report from the Swiss Authorities on a case involving one Mr H. B. Following an article published in Le Defi Newspaper in its issue of 14 March 2009 reporting that one Mr H. B. had been arrested in Geneva with three hundred million rupees (Rs300m.) in his possession, the National Central Bureau INTERPOL Mauritius contacted the National Central Bureau of INTERPOL in Berne, Switzerland on 16 March 2009 with a view to verifying the information.

On 25 March 2009, INTERPOL Berne informed the Commissioner of Police that the Geneva Police has no record of any arrest of a Mauritian national named H. B. That person according to INTERPOL Berne is unknown to the Geneva Police Services.

On 02 April 2009, INTERPOL Mauritius again contacted INTERPOL Berne to verify whether Mr H. B. has been arrested in any other Province of Switzerland apart from Geneva. The reply from INTERPOL Berne is awaited. In the meantime, Our Mission in Paris has been informed by the Embassy of Switzerland that Mr H. B. *'a fait l'objet d'un contrôle de la part des autorités suisses'* in Berne. However, Mr H. B. has neither been arrested nor has he appeared before a Swiss court to answer any questions. Besides, according to the Embassy of Switzerland in Paris there seems no reason to forbid Mr H. B. from leaving the Swiss territory. I wish also to state, Mr Speaker, Sir, that according to a letter dated 25 March 2009 addressed to Interpol Mauritius, Interpol Berne has informed and I am quoting the words, because it needs to be precise - *"que la police genevoise n'a absolument aucune trace d'un éventuel contrôle ni d'une arrestation d'un Mauricien nommé H.B."*.

Furthermore, I am informed by Mauritius Telecom that Mr H. B. is no longer an employee of that organisation since 31 December 2008.

Mr Ganoo: Mr Speaker, Sir, it has been reported in the press that a well-known lawyer, known to all of us, Mr Jeffrey Cox...

Mr Speaker: I am sorry. Hon. Ganoo, you have been a Speaker of this House, you cannot bring in press reports in your question.

(Interruptions)

No, but, is your...

(Interruptions)

As a result of the answer, the Prime Minister refers to what?

Mr Ganoo: To the article which appeared in *"Le Défi"*. Can the hon. Prime Minister contact this gentleman to ascertain whether Mr H. B. was, in fact, arrested? Is it possible?

The Prime Minister: No, I have just confirmed that he was not. All this is not true as far as we are getting it from Interpol of Switzerland.

Mr Bérenger: Three months ago, the name of the same person was raised here in Parliament referring to another case of money laundering, money transaction, and the Prime Minister then informed the House that he had referred the case to ICAC. I am a bit surprised that we have not heard anything from the hon. Prime Minister on that. Can I know what has happened to that *précédent*?

The Prime Minister: In fact, I remember it very well, Mr Speaker, Sir, it was following an article published by 'l'Hebdo' newspaper from 03 to 09 October 2006. Following that, a PNQ was raised by the then Leader of the Opposition, hon. Bodha, on 05 December 2006. Immediately, my office asked ICAC to investigate into the matter on the same day. This was about an alleged transfer of about Rs150 m. supposedly. This was done by ICAC. I can give the details to the hon. Member, in fact, if he wants. Maybe it was December, that is why another question was never asked, but anyway, in any case, ICAC did investigate and did not find substance on the matter.

(Interruptions)

They are laughing, but they must know how things are done, either they believe in institutions or they don't. For the hon. Member's information, we even went to a Judge in Chambers to see all the accounts of Mr H. B. What else do they want us to do?

Mr Dulloo: Mr Speaker, Sir, in view of the replies given by the Prime Minister that at one moment there was an indication that there was a control and in view of the huge amounts involved, may I ask the hon. Prime Minister whether he has initiated any inquiry within the territories of Mauritius about this gentleman either by the Police or by ICAC because it can involve money laundering and huge amount of money?

The Prime Minister: Well, in fact, as I just said, Mr Speaker, Sir, that it was another initiative because an article appeared in the press. We had asked Interpol Mauritius to find out whether this has been the case. I have just replied to the question and I have said what actually the Interpol of Switzerland said. For the hon. Member's information, ICAC had been investigating in that matter. Nothing was found, but still ICAC is following up the matter.

Mr Jhugroo: Can the Prime Minister inform the House if the MRA has ever inquired about the sources of revenue of Mr H. B.?

The Prime Minister: It depends on what revenue he has for the MRA to investigate, but when ICAC starts an investigation, they look into all things, including, as I said, they went to a Judge in Chambers to look at all his accounts.

POLICE OFFICERS - MANAGEMENT COURSES

(No. B/88) Mr S. Dayal (Second Member for Quartier Militaire & Moka) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the management courses dispensed by the Management Training Unit of the Mauritius Police Force to Police Officers of the rank of Police Sergeant and above, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if these courses are still being dispensed and, if so, the number of Police Officers who have followed same, as at to date.

The Prime Minister: Mr Speaker, Sir, I am informed by the Commissioner of Police that in 1997, following a report of a Consultant from the European Union in the context of Police reforms, it was recommended that there was a need to train middle and first line managers in the Police Force, on the proper management of people, information and resources. The Police subsequently embarked on a series of training activities for different ranks of Police Officers from the rank of Sergeant and above.

I am further informed that in year 2000, nine Police Officers followed a Management and Supervisory Trainers Training Course, conducted by Mr John Mac Millan, Consultant in Police Training from UK. These trainers were subsequently posted at the Management Training Unit, a Sub Unit of the Police Training School set up specifically to run Management Development Courses for Officers in the rank of Sergeant and above. I am informed that by end 2006, 1,563 Police Officers had already been trained in the field of Management Development. In January 2007, the Management Training Unit stopped running the courses and an evaluation exercise was carried out by the Police Training School with a view to assessing the applicability of the courses. In the light of this exercise, it was decided to integrate the management programme in the Sergeants and Inspectors Development Courses run for newly promoted Sergeants and Inspectors at the Police Training School. As regards Officers in higher ranks, refresher programmes will be mounted for them at the Police Training School.

Mr Dayal: Mr Speaker, Sir, in fact, the Prime Minister, in his first mandate, triggered all these reforms, but the Management Development course is limited to only Police Sergeants and Inspectors. Therefore, can I ask the hon. Prime Minister if he will consider the possibility of asking the Commissioner of Police to dispense such training to other ranks, namely, the Police Constable, the Chief Inspector, the Assistant Superintendent and why not the Superintendent?

The Prime Minister: In fact, I can pass on the request to the Commissioner of Police as to whether he has the manpower to do it and depending on the funds that the hon. Vice-Prime Minister and Minister of Finance will make available. Probably he can do it, but I will pass this to him.

Mrs Jeewa-Daureeawoo: May I know from the hon. Prime Minister, how many women have up to now followed the management courses?

The Prime Minister: I know, for example, when we talk of Chief Inspector, that includes Woman Chief Inspectors. The total is 94, but they haven't said exactly how many

women in the Chief Inspector grade, but I know there are women and for the Police Sergeants as well there are 1,033. I can try to specify how many women actually are trained.

Mr Jhugroo: May we know from the hon. Prime Minister whether, after having followed their courses, the Police officers are given other postings or responsibilities?

The Prime Minister: I don't think. I think it is a course for management so that they can be better managers in general. A lot of them, as I explained, I think, over 1,563 Police officers have been trained. Others are going to get in the new courses. I don't think all of them can be promoted. I suppose this is going to be helpful to them.

RIVIÈRE BAPTISTE/ST. PIERRE/POUCE MOUNTAIN – PATROLS

(No. B/89) Mr S. Dayal (Second Member for Quartier Militaire & Moka) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the region of Rivière Baptiste, St. Pierre, and the road leading to the Pouce Mountain, used as a leisure and jogging track, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if cases of theft and aggression have been reported thereat, and if so, will consideration be given for regular Police patrol to be carried out thereat.

The Prime Minister: Mr Speaker, Sir, I am informed by the Commissioner of Police that the region of Rivière Baptiste, St. Pierre and the road leading to the Pouce Mountain falls under the jurisdiction of St. Pierre Police Station. The road leading to the Pouce Mountain is being used as a leisure and jogging track by tourists and local inhabitants.

I am also informed that the last case of assault and larceny in the above region reported to the Police dates back to the beginning of December 2008. Subsequently, Police carried out crackdown operations with a view to tracking down offenders at the bottom of Pouce Mountain. The operation led to the arrest of seven persons suspected to be involved in cases reported previously. Enquiry is still on, but since then, the local Police together with ERS and CID of St. Pierre and other units of the Police Force are conducting regular patrols in the region, and no incident has been reported.

TORRENTIAL RAINFALL 26.03.08 - FACT-FINDING COMMITTEE REPORT

(No. B/90) 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 the Fact-Finding Committee set up following the torrential rainfall which occurred on 26 March 2008, he will state where matters stand, indicating when the findings thereof will be made public.

The Prime Minister: Mr Speaker, Sir, the report of the Fact-Finding Committee has been submitted to my Office on 23 March 2009 and its recommendations are being considered by Government. A copy of the report is being laid on the table of the National Assembly.

Mr Jhugroo: Can the hon. Prime Minister inform the House whether any monitoring committee will be set up to monitor the implementation of the findings of the fact-finding committee?

The Prime Minister: In fact, he has made a lot of recommendations. I think it is a very good report and we are going to look at it in detail. Already we are starting to implement some of the things. He has suggested also legislation and many things about illegal constructions, cranes and also the civic culture, that is, we have to make sure that Mauritians understand that they cannot throw - I think, the words he used anything, anywhere, anyhow. We have to take into account a lot of things in this report.

Mr Jhugroo: May I ask the hon. Prime Minister to inform the House whether any criminal case will be lodged against those who have failed in their duties?

Mr Speaker: This question does not arise. Next question, hon. Guimbeau!

ELECTORAL REFORM – DISCUSSIONS

(No. B/91) Mr E. Guimbeau (First Member for Curepipe & Midlands) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the electoral reform and the public funding of political parties, he will state where matters stand.

The Prime Minister: Mr Speaker, Sir, the House will recall that, in my reply to PQ No. B/1191 in November last, I stated that I intended to continue discussions on electoral reform with leaders of political parties.

However, with the onset of the world financial crisis, I think, as I have explained in the past, this has been a top priority of the Government. We have 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 the Additional Stimulus Package Bill was introduced last week and which will be debated today, Mr Speaker, Sir. Nevertheless, in spite of the constraints imposed by other issues of national interest, I intend to resume discussions on the electoral reform as soon as it is practicable to do so.

Mr Guimbeau: I have a very simple question for the hon. Prime Minister. *Est-ce que l'honorable Premier ministre a la volonté politique, M. le président?*

(Interruptions)

Mr Speaker: The hon. Member is questioning the good faith of the Prime Minister. He has answered the question.

(Interruptions)

I am sorry. The Prime Minister has given the reasons why he has not been able to do so earlier.

(Interruptions)

No, I'll not allow this question.

Mr Guimbeau: Mr Speaker, Sir, I will rephrase my question.

Mr Speaker: Yes!

Mr Guimbeau: Does the Government - *l'Alliance sociale* - has got the political will to come forward with an electoral reform before the end of this mandate?

The Prime Minister: As far as I remember, the hon. Member was part of the Government between 2000 and 2005; I don't think he had crossed the floor at that point, it was in 2005. Then the Government had it in its programme; they had discussions, there were two partners, we assume that they had the political will, why didn't they do it?

Mr Guimbeau: Mr Speaker, Sir, of course, I am talking about this Government. So, it is obvious that there will be no reform. Mr Speaker, Sir, I would like to ask the hon. Prime Minister, in view of the fact that there will be no reform, is he prepared to come along...

Mr Speaker: I am sorry again. The hon. Member is putting words in the mouth of the Prime Minister. The hon. Prime Minister has never said that there will be no reform.

Mr Guimbeau: Will the hon. Prime Minister come forward with a separate Bill - the Public Funding of Political Parties Bill? This is a different Bill.

The Prime Minister: The hon. Member seems to be an expert on public funding, I don't know why, but it is more complicated than he thinks it is. But, in any case, while discussing on the reform and, as I said, we need to speak about many things on the electoral reform, including on how elections are done and all these things, how we can improve the system. That will be taken into account then.

Mr Guimbeau: Mr Speaker, Sir, we hope we can, at least, start discussions on this issue soon.

The Prime Minister: This has already started, as you know, in the by-election. I'll take this opportunity to congratulate the new Member which, unfortunately, I couldn't not that do last week, as I was not here. This has already started. I'll give you an example. Some people have complained about the elections being held up to 5 o'clock. There have been many complaints about this. We have to relook at that as well.

Mr Ganoo: Mr Speaker, Sir, I agree with the hon. Prime Minister, this question of funding of political parties is a very complex issue. A lot of work has been done in the past. There has been the Select Committee itself. Professor Sachs, himself, in his report, has elaborated on the problem. Can the hon. Prime Minister use all this material and circulate a draft Bill on the funding of political parties, at least, we kick-start this whole process of legislating on that issue?

The Prime Minister: I can't recall whether, when the hon. Member was in Government, they circulated a draft Bill. But there was a draft Bill which was prepared. I think we should discuss first, instead of circulating and then changing everything. I will look at it.

Mr Bodha: May I ask the hon. Prime Minister whether he will agree that there seems to be some consensus on a certain number of points and that we can start the discussions and then move on an incremental basis?

The Prime Minister: That is what I have always said. I think we all agree about *base* and things like that. I think we can agree on this, but we must not do as if we completely forget about the rest. But I think we can start. I don't know what is the attitude of hon. Members. I will see how things go.

Mrs Perrier: Mr Speaker, Sir, can the hon. Prime Minister state to the House whether he is aware that he signed himself the SADC 1997 Protocol on Gender and Development? In that Protocol, there were strong recommendations to look into the electoral system to facilitate the participation of women in the decision-making position. This is another issue where Mauritius has signed and ratified the SADC Protocol in vain and the Protocol said that by 2010 we should have 30% of women in the decision-making position, Parliament and Ministers. Can the hon. Prime Minister look into that electoral reform on that side and see what he can do to facilitate the participation of more women in politics?

The Prime Minister: In fact, I am the one who is for it. But as you see yourself, there are different points of view. In fact, what I can do, I have done in my own party, and there are nearly 30% of women in the list of the executive of the party. That's the only party in Mauritius which has reached that number.

Mrs Perrier: The Prime Minister is mixing issues. We are not talking about political parties. We are talking about Parliament and the *Conseil des Ministres*. This relates to the electoral reform and the Prime Minister who was the then Prime Minister at that time signed the SADC Protocol and ratified it. Let us see how we can abide by that Protocol.

The Prime Minister: That's what I have said. Don't misunderstand me! We all want to try to see what can be done to increase the representation of women. When I mentioned the Labour Party, I said what I can do by myself while I have all the powers that I need, I have done it.

Mr Varma: Could the hon. Prime Minister inform the House, following the information communicated to the House by the hon. Member, that the Convention was ratified in 1997, what was done between 2000 and 2005 to implement that said Protocol?

(Interruptions)

Mr Speaker: Order! Order!

The Prime Minister: It's a very good question.

(Interruptions)

Mr Speaker: Order! Order, now!

The Prime Minister: Members can see what the difficulties are. It's a very good question.

TELEVISION (PRIVATE) – INTRODUCTION

(No. B/92) Mr E. Guimbeau (First Member for Curepipe & Midlands) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the introduction of private television, he will state where matters stand.

The Prime Minister: Mr Speaker, Sir, the House will appreciate that, in line with the Government Programme of 2005-2010, this Government introduced digital terrestrial television in 2006 precisely to encourage the operation of private television channels.

However, I am informed by the Director of the Independent Broadcasting Authority that no application has so far been received by the Authority for a Private Commercial Television Broadcasting licence. In reply to a Parliamentary Question No. B/175 on 08 April 2008, I had pointed out that one factor that apparently stands in the way of the advent of private television is the provision in the Independent Broadcasting Authority Act 2000 which restricts the limit of foreign shareholding in a company applying for a licence to 20%. In that respect, Mr Speaker, Sir, I informed the House in reply to Parliamentary Question No. B/1343 on 02 December 2008, that Mr Geoffrey Robertson, Q.C. has been invited by Government to make recommendations in the context of the revision of the Media Law in general. Mr Robertson, Q.C., has already submitted a preliminary report and in the light of this report, amendments, if any, will be brought to the provision relating to foreign shareholding restriction in the Independent Broadcasting Authority Act.

Mr Bérenger: The hon. Prime Minister has confirmed that, with the introduction of digital television and with Multi-Carrier around, technically there are no problems for private televisions to operate. He will agree with me that no one will put his money if there is no profit at the end of the day. Will he agree with me that the main reason that no one is coming forward is this compulsory Rs100 fee that everybody has to pay to Mauritius Broadcasting Corporation? This is a head start, it makes it all the more difficult for private television to come in. Is Government giving consideration to that?

The Prime Minister: I am told that in other countries that is the way it operates, but we can have a look at that.

Mr Guimbeau: Mr Speaker, Sir, the former Government MMM/MSM and PMSD came forward with private radios. I would like to ask the hon. Prime Minister ...

(Interruptions)

Batté rendé pas faire di mal ! Nou ine faire radio!

Mr Speaker : Order!

Mr Guimbeau: I would like to ask the hon. Prime Minister whether he will come forward with a private TV before the end of his mandate, which is in a few months' time, Mr Speaker, Sir?

The Prime Minister: The hon. Member has a short memory or either he is deliberately forgetting. I am the one who passed the law for private radios...

(Interruptions)

I am the one who put private television in my programme and, of course, I have done the private radio. They did not do it, I did it!

FOREIGNERS - RESIDENTIAL PERMITS

(No. B/93) Mr Y. Varma (First Member for Mahebourg & Plaine Magnien) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the foreigners residing in Mauritius without a residential permit, he will, for the benefit of the House, obtain from the Passport and Immigration Office, information as to the number thereof as at to date, indicating their respective nationality.

The Prime Minister: Mr Speaker, Sir, the information requested for by the hon. Member is being tabled. The House will note that most of those foreigners who are staying in Mauritius are from China, Bangladesh and India. They are mainly workers in the textile and construction sectors whose work and residence permits have expired and whose employers in Mauritius have applied for an extension.

I should also like to point out that a tracking team has been set up in 2006 at the Passport and Immigration Office to trace out foreigners staying illegally in Mauritius. This tracking team works in close collaboration with the regular Police, the CID and the Anti Drug and Smuggling Unit. Last year, 180 arrests were effected by the team and this year to date, it has arrested 34 persons.

Mr Guinness: Can I ask the hon. Prime Minister whether during their stay with the residential permit and work permit, there is a regular monitoring of these foreign workers on their sites of work?

The Prime Minister: There is not a day-to-day monitoring as such but, as I said, there is a tracking team which looks into that.

ELECTIONS - CODE OF CONDUCT

(No. B/94) Mr S. Naidu (Third Member for Beau Bassin & Petite Rivière) asked Prime Minister, Minister of Defence and Home Affairs whether he will state if Government proposes to amend the law to provide for a Code of Conduct to complement the legal provisions in force regarding the holding and conduct of elections in Mauritius.

(Withdrawn)

MPCB - FOREIGN CURRENCY – DISAPPEARANCE

(No. B/95) 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 disappearance of Rs22 m., to the prejudice of the Mauritius Post Co-operative Bank, on or about 15 March 2009, 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, indicating the outcome thereof.

The Prime Minister: Mr Speaker, Sir, I am informed by the Commissioner of Police that on 20 March 2009, the Mauritius Post Co-operative Bank (MPCB) decided to export Rs22 m. in foreign currency to the United Overseas Bank in Singapore. Rogers Logistics Company and Brinks Security Ltd. were designated to complete the custom formalities and ensure that the cash transit to the SSR International Airport was done according to the procedures.

On 25 March 2009, United Overseas Bank informed the MPCB that they had received the consignment but it contained blank papers and packets of playing cards instead of foreign currencies. On the same day, the MPCB received a photo of the consignment from United Overseas Bank and after careful examination it was found that the consignment, according to them, had been tampered with.

I am further informed that the Central Criminal Investigation Division initiated an in-depth enquiry on 25 March 2009, and after viewing the CCTV camera records at the airport, arrested two persons, one Mr A. G., Shift Supervisor at Air Mauritius and one Mr A. A. M., Attendant at Cargo Shed Air Mauritius. Both these persons were provisionally charged of “Larceny by Person in Receipt of Wages”. They appeared before the Mahebourg District Court on 31 March 2009. Mr A. G. was released on bail on 01 April 2009 after furnishing a surety of Rs20,000 and entering into a recognizance for the sum of Rs100,000. Mr A. A. M., is still detained at Midlands Police Station.

I am also informed that the Police has recorded statements from a messenger of Brinks Security Ltd. and a Cargo Driver of Air Mauritius and the Police enquiry is ongoing.

Mr Bérenger: This is the Mauritius Post Co-operative Bank, a bank for the cooperatives, for the ‘*ti-dimounes*’ in general. May I ask the hon. Prime Minister whether he has taken the trouble to check how many such cases have taken place previous to the one we are talking about? I am given to understand that there have been three or four other such cases.

The Prime Minister: I am not clear about what the hon. Leader of the Opposition is saying as to other such cases where money has been lost or other such cases where transactions have been done. I did check and I think they have done 65 or 66 such transactions in the past and never before have they actually lost their money in that way. I have checked and all banks do that. I remember on the phone I was asking a question and I was told that 65 or 66 such transactions have been made.

Mrs Jeewa-Daureeawoo: Mr Speaker, Sir, may I know from the hon. Prime Minister in whose custody was the container entrusted when it reached Plaisance airport?

The Prime Minister: In fact, I am told that they are given over to Air Mauritius to then make the transfer. So, it is in their custody.

Mr Bodha: Mr Speaker, Sir, may I ask the hon. Prime Minister whether he can confirm then that we still don't know what has happened to the money?

The Prime Minister: The enquiry is going on.

Mr Dulloo: Mr Speaker, Sir, so far information has not revealed whether the money had actively left the Mauritius Post and Cooperative Bank and reached Air Mauritius in the very bag itself before the disappearance. Can I ask the hon. Prime Minister whether this has been revealed or the inquiry is still going on this matter?

The Prime Minister: Is the hon. Member saying 'in the bag itself'? It was Rogers Logistics Company and Brinks Security Ltd. who were to take the bags in containers to Air Mauritius. This is what I have been told.

Mr Dulloo: Mr Speaker, Sir, can the hon. Prime Minister tell us whether it has been ascertained that the money actually left the bank and went to where it was revealed that there was an exchange of bags or whatever had happened?

The Prime Minister: In fact, the enquiry is going on as to whether actually the money was not stolen before this happens.

MR H. B. - ARREST – SWITZERLAND

(No. B/108) Mr P. Jhugroo (Third Member for Port Louis North & Montagne Longue) asked the Prime Minister, Minister of Defence and Home Affairs whether he will state if he is aware that one Mr H. B., a Mauritian citizen was recently arrested in Switzerland for being in possession of Rs 300m, and if so, will he, for the benefit of the House, obtain from the Commissioner of Police, information as to if he has been informed of same by the Swiss authorities.

(Vide reply to PQ No. B/87)

Mr Speaker: Time is over! Questions addressed to hon. Ministers! The Table has been advised that PQs B/125, B/139 and B/140 have been withdrawn. Hon. Mrs Hanoomanjee!

FREIGHT REBATE SCHEME - BENEFICIARIES, AMOUNT PAID, ETC.

(No. B/111) Mrs S. Hanoomanjee (Second Member for Savanne & Black River) asked the Minister of Agro Industry, Food Production and Security whether in regard to the Freight Rebate Scheme, he will state –

(a) for the years 2006, 2007 and 2008 -

- (i) the number of exporters who have benefitted therefrom, and the amount of money paid, and
- (ii) if in 2006, some exporters have been over-refunded.

Mr Faugoo: Mr Speaker, Sir, I am advised, with regard to part (a), that –

- (i) the number of exporters who have benefitted from the Freight Rebate Scheme is as follows –
 - ◆ For Financial Year 2005-2006 : 8
 - ◆ For Financial Year 2006-2007 : 11
 - ◆ For Financial Year 2007-2008 : 9

(ii) a total amount of Rs15,254,190 has been refunded to these exporters.

Regarding part (b), I am advised by the Agricultural Marketing Board, which is managing the scheme that no exporter was over refunded in 2006.

Mrs Hanoomanjee: Mr Speaker, Sir, I am a little bit surprised to hear the reply of the hon. Minister because actually is he aware that the Director of Audit in his last report has mentioned that there has been over-refund to one exporter?

Mr Faugoo: Mr Speaker, Sir, the hon. Member should not be surprised because whatever overpayment has occurred, it was for the period 2001 to 2005 and there is no overpayment. This has been confirmed by the AMB. There has been no overpayment as far as 2006 is concerned.

Mrs Hanoomanjee: Mr Speaker, Sir, can the hon. Minister check, because as far as I can recall - I am sorry, I don't have the Director of Audit's report with me - the Director of Audit has specified that there was over refund to one exporter in particular.

Mr Faugoo: I still maintain, Mr Speaker, Sir; the hon. Member can go and check. I have got official figures and official letters from AMB which states that there has been no overpayment for 2006.

Mrs Hanoomanjee: Mr Speaker, Sir, can the hon. Minister say whether now a new scheme is being worked out to replace the old scheme which was in place and apparently which was in favour of only pineapple exporters?

Mr Faugoo: Yes, Mr Speaker, Sir, the Freight Rebate Scheme is being revisited.

FISHERMEN (OLD AGED) – CARDS

(No. B/112) Mrs S. Hanoomanjee (Second Member for Savanne & Black River) asked the Minister of Agro Industry, Food Production and Security whether he will state if a scheme has been worked out to assist old aged fishermen whose cards have been retained by the Fisheries Officers.

Mr Faugoo: Mr Speaker, Sir, a voluntary scheme for fishermen is in place at the Ministry of Social Security, National Solidarity and Senior Citizens Welfare & Reform Institutions since some time whereby registered artisanal fishermen below the age of 60 years contribute monthly a sum ranging from Rs40 to Rs320 out of the Bad Weather Allowance to the National Pension Fund. On reaching the age of 60 years, these fishermen benefit a monthly pension proportionate to their contribution over and above the old age pensions. It is to be noted that these fishermen continue to remain as registered fishermen thus benefiting from Bad Weather Allowance and Close Season Allowance.

I would like to point out that a fisherman's card is retained only in the following circumstances –

- (i) in case the fisherman has passed away;
- (ii) if the fisherman has fished for less than 50% of the number of fishing days per month during any three consecutive months, or where the fisherman voluntarily stops fishing.

Mrs Hanoomanjee: Mr Speaker, Sir, can the hon. Minister say whether the Fishermen Trust can do anything to relieve the old aged fishermen who have returned their cards to the Fisheries Post?

Mr Faugoo: A scheme has to be worked out somehow, maybe either by the Trust or by the Ministry. I will look into it, Mr Speaker, Sir.

Mrs Hanoomanjee: In view of the hardship of those fishermen, can the hon. Minister see to it that he works out a new scheme within a limited time frame?

Mr Faugoo: I do not guarantee any time frame, Mr Speaker, Sir. We are going through a very difficult time. Everybody knows there is financial crisis and Mauritius is not spared. We are facing a very difficult time. In light of all this, we will have to work out something, but I cannot put a time frame.

Mr Ganoo: As the hon. Minister has rightly pointed out, fishermen are entitled to a contributory pension and being given that there is a small number of fishermen now, can the hon. Minister envisage the possibility of asking those who are over 70 years old to give back their fishing cards and giving them small compensations?

Mr Faugoo: It has to be worked out and the implications also have to be seen, Mr Speaker, Sir.

TOBACCO BOARD - ADMINISTRATIVE SECRETARY – POST

(No. B/113) Mrs S. Hanoomanjee (Second Member for Savanne & Black River) asked the Minister of Agro Industry, Food Production and Security whether, in regard to the post of Administrative Secretary at the Tobacco Board, he will, for the benefit of the House, obtain from the Board, information as to if it will be filled on a permanent and pensionable basis and, if so, when and, if not, why not.

Mr Faugoo: Mr Speaker, Sir, I am advised by the Tobacco Board that the vacancy for the post of Administrative Secretary has been advertised. The post will be filled on a permanent and pensionable basis after completion of the interview of candidates which will be conducted shortly.

Mrs Hanoomanjee: Mr Speaker, Sir, can the hon. Minister confirm that the post was, in fact, advertised on 05 December 2008? Around 80 applications were received, but those applications had been set aside and another advertisement internally has been made.

Mr Faugoo: That is not true, Mr Speaker, Sir.

L'AVENIR - FOOTBALL GROUND - FENCING, LIGHTING, ETC.

(No. B/114) Mr S. Dayal (Second Member for Quartier Militaire & Moka) asked the Minister of Youth and Sports whether, in regard to the l'Avenir football ground, he will state if he will consider liaising with the relevant authorities for same to be provided with, amongst other amenities –

- (a) fencing;
- (b) lighting, and
- (c) changing room and toilet.

The Minister of Local Government, Rodrigues & Outer Islands (Dr. J. B. David): Mr Speaker, Sir, with your permission, I shall reply to this question. I am informed by the Moka/Flacq District Council that the contract for the provision of lighting facilities at the l'Avenir football ground has already been awarded and works are expected to start this week. The project will be completed by the end of June 2009.

I am further informed that provision of other amenities such as fencing, construction of cloakroom and toilet will be considered in the next financial year.

Mr Dayal: Mr Speaker, Sir, I should like to thank the hon. Minister for providing the lighting facilities but then I should like to impress upon the hon. Minister to speed up matters and to look for the proper fund because this has already been promised by my colleague, the former Minister of Sports, a year ago.

Mr Speaker: That is not a question. I am sorry, it is a statement.

Mr Dayal: Can the hon. Minister speed up matters so that the fencing and the cloakroom be provided simultaneously as the lighting facilities?

Dr. David: Well, Mr Speaker, Sir, we cannot promise that simultaneously. We will provide all the other facilities, but they will come in due time.

Mr Speaker: PQ Nos. B/115 and B/146 have been withdrawn.

CITÉ LA CURE - ELECTRICITY SUPPLY

(No. B/115) Mr P. Jhugroo (Third Member for Port Louis North & Montagne Longue) asked the Deputy Prime Minister, Minister of Renewable Energy and Public Utilities whether he will state if he is aware that some 20 families living at Cité La Cure, behind the NHDC Housing Quarters have not been supplied with electricity for years and, if so, will he, for the benefit of the House, obtain from the Central Electricity Board, information as to –

(a) the reasons therefor, and

(b) the remedial actions that will be taken.

(Withdrawn)

PORT LOUIS NORTH & MONTAGNE LONGUE - FLOOD PRONE AREAS

(No. B/116) Mr P. Jhugroo (Third Member for Port Louis North & Montagne Longue) asked the Minister of Environment and National Development Unit whether, in regard to flood prone areas in Constituency No. 4, Port Louis North and Montagne Longue, he will table a list thereof, indicating, in each case, the remedial measures that have been taken.

Mr Bundhoo: Mr Speaker, Sir, as requested, the information is being compiled and will be tabled.

Mr Jhugroo: Mr Speaker, Sir, can I ask the hon. Minister whether he has made any site visits last week in my Constituency after the heavy rainfalls?

Mr Bundhoo: I assure the hon. Member that the PPS of the Constituency and the Member of Parliament for this Constituency, hon. Mrs Juggoo, are constantly making site visits and reporting to the NDU which falls under my responsibility.

Mr Jhugroo: Le ministre est-il au courant, qu'à chaque fois qu'il y a de grandes pluies dans ma circonscription il y a beaucoup de maisons - plus d'une centaine - qui sont inondées, et cela depuis assez longtemps ? Je demande au ministre d'agir très vite. On ne peut pas laisser les gens de ma circonscription....

Mr Speaker: No, no, no! The hon. Member is making a statement. He should ask the Minister to act promptly and immediately.

Mr Jhugroo: Je demande au ministre d'agir le plus vite possible.

Mr Bundhoo: Mr Speaker, Sir, may I assure the hon. Member that his colleague, hon. Mrs Juggoo, has acted so promptly that over the last year 2008, six contracts have been awarded with regard to drain at Cité La Cure, Cité Carreau Lalo, Bernardin de St-Pierre, Vallée des Prêtres, Cité Vallée des Prêtres, and also retaining wall at Paul Toureau Street, Ste Croix, Ruisseau Terre Rouge to the tune of Rs95,837,436.84; and all this has been awarded thanks to the efforts of hon. Mrs Juggoo.

Mr Jhugroo: Je demande au ministre pourquoi des drains n'ont pas été aménagés à Ste Croix et Cité La Cure?

Mr Bundhoo: Mr Speaker, Sir, may I inform the hon. Member that all the places whereby water accumulation has been identified, some are being addressed by the NDU, some by the Municipality of Port Louis and some by the RDA?

MAURITIUS SOCIETY OF AUTHORS -MONEY COLLECTED, ETC.

(No. B/117) **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 Mauritius Society of Authors, he will, for the benefit of the House, obtain from the Society, information as to –

- (a) the total amount of money collected by the Society for calendar year 2008 thereof, and
- (b) the amount of money paid –
 - (i) to foreign organisation;
 - (ii) local artists, and
- (ii) the Mauritius Revenue Authority on behalf of the local artists.

Dr. Bunwaree: Mr Speaker, Sir, I am informed that the Mauritius Society of Authors operates on the basis of a financial year, running as we know, from July to June, but as the question relates to calendar year, the full information requested is being compiled and will be laid in the Library of the National Assembly as soon as possible.

PAS GÉOMÉTRIQUES – INDUSTRIAL & COMMERCIAL SITE LEASES

(No. B/118) Mr E. Guimbeau (First Member for Curepipe & Midlands) asked the Minister of Housing and Lands whether, in regard to the industrial and commercial site leases on *Pas Géométriques*, he will state if –

- (a) the review of the terms and conditions thereof to reflect the market value and aligned on those of the campement site has been applied to all the lessees concerned and, if not, why not, and
- (b) the option letter, the option form and the new lease agreement for industrial and commercial site leases have been issued to all the lessees concerned and, if not, why not.

Dr. Kasenally: Sir, in regard to part (a) of the question, I wish to refer the hon. Member to Section 33 of the Finance (Miscellaneous Provisions) Act 2008 which makes provision for all the terms and conditions that will be generally applicable to industrial and commercial site leases on *Pas Géométriques* including assessment of rental at market value.

In regard to part (b) of the question, I wish to point out that given the complexity of the exercise, extensive consultations were required between the officers of my Ministry and those of the State Law Office and the Ministry of Finance and Economic Empowerment with a view to finalising the option letter and option form, together with the new lease agreement for industrial and commercial site leases. These have now been finalized and the option letters and option forms are being issued as from this week to all the concerned lessees who will have up to 30 June 2009 to exercise their option in accordance with the provisions of the Finance Act 2008.

Mr Guimbeau: Mr Speaker, Sir, I have a list of all the industrial leases which have been tabled. I must say, Mr Speaker, Sir, that it is quite amazing and shocking to see that some big 5-star hotels are paying *cinq sous arpents* and renewal will be in 2047; and the same applies to bungalow complexes. I would like to ask the hon. Minister what will he do in case where some leases are ending in 20/30 years' time. Is he going to ask them to come with fresh leases or keep on with the actual ones?

Dr. Kasenally: I am sorry. I have never seen *cinq sous*. At least, I have seen people paying Rs1.50 in certain cases of leases, but certainly not all, not a single hotel. I think their leases are being renewed and my Ministry and this Government will ensure that those who are reaping this amount of money will pay a fair share of that to Government.

Mr Guimbeau: Sir, I made a mistake. It is even less, it is "*deux kass*" - four cents. That is why I am asking the Minister whether he is going to ask those groups to come forward and have a new option with new dealers based on actual market value.

Dr. Kasenally: I will ask the hon. Member if he could bring me evidence of them paying “*deux kass*” and I will certainly make sure..

Mr Guimbeau: It is in the reply to PQ No. B/1465. I will give it to the Minister.

Mr Speaker: Next question, hon. Guimbeau!

**MINISTRY OF HOUSING & LANDS - CIVIL SERVANTS –
STATE LAND LEASE**

(No. B/119) Mr E. Guimbeau (First Member for Curepipe & Midlands) asked the Minister of Housing and Lands whether, in regard to the lease of State land to the 46 civil servants working in his Ministry, he will state –

- (a) if an inquiry has been carried out thereinto and, if not, why not;
- (b) if the leases were assessed at the market value and, if not, why not,
- (c) the terms and conditions and annual rental.

Dr. Kasenally: Mr Speaker, Sir, I am informed that the State land was allocated to officers of the Ministry of Housing as from the year January 1978 to April 2004.

In regard to part (a) of the question, I am informed that as far back as in 2003, a correspondence was issued to ICAC requesting an investigation into the allocation of State land to serving and ex-officers of the Ministry as well as to their relatives.

In regard to part (b) of the question, I am informed that State land granted to those public officers was on the terms and conditions as per the policy and practice of the Ministry during that time.

In regard to part (c) of the question, I wish to refer the hon. Member to the replies made by my predecessor to PQ No. B/713 and for which the requested information has already been placed in the Library of the National Assembly on 21 January 2009.

I wish to reiterate that, since July 2005, no State land has been allocated to any officer of my Ministry.

Mr Guimbeau: Mr Speaker, Sir, I would like to know from the hon. Minister whether it is legal practice or is it ethical to have Principal Surveyors, Chief Surveyors, Permanent Secretaries working in the same Ministry to pick and choose State lands for their own use or for their relatives? Is it legal practice?

Dr. Kasenally: If State land was allocated at the time when I was not Minister, perhaps it was legal, but it was not good governance to do so. I think things have changed a lot; and I understand that some of the officers have retired in public interest at the time for which I would think was not proper. It may have been legal, but it was not normal.

Mr Guimbeau: Mr Speaker, Sir, it's good to remind the hon. Minister because some of them have got guest houses, hotels, bungalow complexes on the State lands. This is why I wanted to know whether land is being leased on actual market value, Mr Speaker, Sir.

Dr. Kasenally: I have said that all leases have been revalued to have the market value. They have been given the option according to the rules and regulations pertaining.

Mr Guimbeau: Mr Speaker, Sir, the hon. Minister stated in public that he was wondering whether there was a *délit d'initié*, can the hon. Minister confirm to the House whether he has sent all of these cases to ICAC, to see whether there has been a *délit d'initié* like it was stated in the press?

Dr. Kasenally: I have already mentioned that the cases were sent to ICAC as far back as 2003.

Mr Speaker: Hon. Jhugroo!

Mr Jhugroo: Mr Speaker, Sir, out of these 46 civil servants who have got leases of State land, will the hon. Minister say how many are officers from the Ministry of Housing and Lands?

Dr. Kasenally: If the hon. Member would pay attention, I said that there were 46 members from the Ministry of Land from 1978 to 2003.

Mr Speaker: Next question, hon. Mrs Martin!

CUREPIPE - KINDERGARTEN - OPENING HOURS, EQUIPMENT, ETC.

(No. B/120) Mrs M. Martin (Second Member for Curepipe & Midlands) asked the Minister of Local Government, Rodrigues and Outer Islands whether, in regard to the kindergarten situated in the town centre of Curepipe, he will, for the benefit of the House, obtain from the Municipal Council of Curepipe, information as to –

- (a) its opening days and hours;
- (b) the state of the equipments thereat, indicating –

- (i) the frequency and number of maintenance exercises effected thereon, and
- (ii) if it is proposed to replace same and, if so, when.

Dr. David: Mr Speaker, Sir, the information asked for by the hon. Member is being placed in the Library of the National Assembly.

Mrs Martin: May I know from the hon. Minister whether, in fact, the equipment in the kindergarden is going to be replaced?

Dr. David: Yes, Mr Speaker, Sir, within three weeks.

Mrs Martin: May I know from the hon. Minister, whether we can have an indication of the cost of the replacement?

Dr. David: No. In fact, this is not requested for in the question of the hon. Member.

At 1.00 p.m. the sitting was suspended.

On resuming at 2.32 p.m. with the Deputy Speaker in the Chair.

ABORTION - WOMEN - COMPLICATION - REMEDIAL MEASURES

(No. B/121)Mrs M. Martin (Second Member for Curepipe & Midlands) asked the Minister of Women's Rights, Child Development & Family Welfare whether, in regard to women who have suffered complications following abortion, she will state the number thereof, indicating the remedial measures Government proposes to take to come to their assistance.

Mrs Seebun: Mr Deputy Speaker, Sir, regarding the first part of the question, I am tabling the figures obtained from the Ministry of Health and Quality of Life, for period 1995 to 2007, in respect of women who suffered complications following abortion, and who had received treatment in either Government hospitals or private clinics.

With a view to getting over the Post-Abortion Syndrome (PAS) like guilt, regret, low self-esteem, despair and depression, which may even lead to suicidal attempts, my Ministry, through its Family Support Bureaux (FSBx), provides continuous psycho-therapy to women who have suffered complications following abortion. My Ministry undertakes to sensitise our womenfolk on support services provided in our Family Support Bureaux by our psychologists.

I am informed that the Ministry of Health & Quality of Life ensures that all necessary health care and treatment are provided in all our health institutions. Mr Deputy Speaker, Sir, the issue of abortion has been raised several times in this House. My Ministry has continued the sensitisation of all stakeholders in regard to promoting the well-being and the health of women. Not later than 25 March 2009, at a symposium at Vaghjee Hall, in the presence of different stakeholders such as socio-religious organisations, trade unions and women associations, I reiterated my stand that abortion is a critical issue.

I had, so far, the opportunity at various fora to systematically call different stakeholders to reflect on this issue, whilst impressing on the need for preventive measures.

Mr Deputy Speaker, Sir, as a long-term measure, I will go even beyond these remedial measures I have mentioned earlier. In fact, fully conscious of the recent tragic case and subsequent concern raised from different quarters, I am proposing to kick-start a debate on this issue, which has already been scheduled for 29 April 2009.

This will give ample time to all stakeholders to brainstorm at their respective level and to come up with concrete proposals on that day. I am convinced that proposals emanating from the discussions will be a significant step towards the way forward.

Mr Deputy Speaker, Sir, it is important that such debate be carried out in an objective and dispassionate manner. I invite the Members of the House to submit proposals to my Ministry to that effect.

Mrs Martin: I thank the hon. Minister for her answer. She has just mentioned that debates are to be kick-started on 29 April. Can I ask her whether there is a definite time frame for the debate to go on, so that at the earliest possible we can come forward with concrete measures?

Mrs Seebun: Let us start the debate on the 29 with all the stakeholders and then we will see as for the outcome. Maybe, several debates will be required because this is, as you are aware, Mr Deputy Speaker, Sir, a highly sensitive issue.

Mrs Martin: The hon. Minister must be aware that doctors, especially private practitioners, when attending women who have undergone abortion and who are in a dire situation - I mean those who are very sick - are very often arrested and interrogated. That discourages them from taking care of these women. What is being done, in fact, to protect the practitioners?

Mrs Seebun: It is difficult for me to answer this question. But I wish to assure the House that we do take care of such women, and we encourage them to reach out so that we can take care in such cases.

Mrs Navarre-Marie: Mr Deputy Speaker, Sir, some time back, the Minister talked about a Bill being prepared under the aegis of his Ministry or the Ministry of health. Will the hon. Minister state where matters stand on the issue?

Mrs Seebun: I don't remember having mentioned any Bill spearheaded by my Ministry. In any case, it's not my ministry.

Mrs Labelle: Mr Deputy Speaker, Sir, I know the hon. Minister has been talking about this very sensitive issue during the past weeks and months. May I ask her whether, in one of these debates or talks, she has clearly mentioned that she is not here to encourage someone to keep a baby that she does not want?

Mrs Seebun: Mr Deputy Speaker, Sir, such cases have to be dealt on a case to case basis. When I intervene, I normally do what my mandate provides, that is, in case of rape and incest.

Mrs Labelle: Since abortion is actually illegal - it is very debatable - is there any public policy regarding support and help to women who find themselves in situations where they don't want to keep the baby? Is there a general policy regarding these particular situations?

Mrs Seebun: Mr Deputy Speaker, Sir, I can only account for what my Ministry does. We are carrying out a lot of sensitising campaign on preventive measures. If a woman does not want a baby, we encourage her. In the days to come, we are introducing condom machines; we are offering preventive measures. This is what is happening for the first time. Never before, in a woman centre, you would have found such machines providing condoms. So, we are laying a lot of stress on preventive measures.

Mrs Labelle: Mr Deputy Speaker, Sir, I am very glad that the hon. Minister is taking supplementary measures. But my question was: in concrete situations, where a woman does not want to keep a baby, is there a general policy of the Ministry?

Mrs Seebun: Mr Deputy Speaker, Sir, there is no general policy so far. Let's hope that, when the debate is on, such issues can be taken on board.

Mrs Martin: Mr Deputy Speaker, Sir, the hon. Minister knows that the law, as it is actually, discourages the women who have undergone abortion and are already in a difficult situation to go to hospital, until it is very often too late. What is being done in order to encourage them when they have gone through that? Because they know they are going to be actually pursued by law. What is being done to help them save their lives and eventually that of their families as well? Because when a mother dies, it is very difficult for the rest of the family as well.

Mrs Seebun: Mr Deputy Speaker, Sir, for those women whose health would not allow them to go through their pregnancy full-term, since 1997, with the advice of SLO, the Ministry of Health does allow abortion where the health of the woman is at risk.

Mrs Martin: Mr Deputy Speaker, Sir, that was not actually my question. My question was with regard to healthy women who have undergone abortion but are suffering complications following such action. They are very hesitant to go to the institutions, until it's very often too late. What is being done?

Mrs Seebun: Mr Deputy Speaker, Sir, some few minutes ago, I enlightened the House with regard to those women. They can reach out the Ministry of Women's Rights, and we are going to help them. We are sensitising women who are suffering from complications and who, for some reasons, are scared to reveal it to their relatives, to come forward.

Mrs Martin: Mr Deputy Speaker, Sir, is the Minister saying then that these women will not be subject to legal prosecution?

Mrs Seebun: Mr Deputy Speaker, Sir, the issue itself is so complex, and it's difficult for me to reply at this stage. This is why we are initiating a debate on it.

Mrs Martin: Mr Deputy Speaker, Sir, has there been any case where a woman has gone to the Ministry, sought help and then not undergone any procedures following that?

Mrs Seebun: Not to my knowledge, but there are many women who come after miscarriages, and we do help them to get necessary health care. Being a woman herself, Mr Deputy Speaker, Sir, she is fully aware that even women who go through abortions would never come up and tell you that they have done that act. They would normally put it up on a miscarriage. But we are here to help.

Mr Bérenger: Mr Deputy Speaker, Sir, the Minister is providing us with figures. I am sure she has had a chance of looking at figures. Can I ask whether there is a trend; whether the number of women suffering complications has been on the increase or on the decrease?

Mrs Seebun: The figures themselves indicate that it is on the decrease.

Mr Bérenger: Secondly, I heard the hon. Minister say that she is going to open a debate, which she wishes to see objective, dispassionate and informed. Can I ask the hon. Minister, if I am right in saying that there is a Bill to amend the existing law that has already been provided? Does she not think that the best way of having a dispassionate, informed debate is to have this Bill circulated and the debate, therefore, will centre around what is being proposed?

Mrs Seebun: Mr Deputy Speaker, Sir let's start with the debate, and let's go for wider consultation. The Bill would come ultimately.

Mrs Martin: Mr Deputy Speaker, Sir, the Minister mentioned that the woman who has undergone abortion or having complications following this procedure can come to her Ministry. Can I know from the Minister whether there is a 24-hour service to help these women?

Mrs Seebun: We do have a 24-hour service, and the hotline is 139.

Mr Varma: Mr Deputy Speaker, Sir, could the hon. Minister inform the House whether the debate will be about legalisation of abortion?

Mrs Seebun: At this stage, it is difficult for me to give my opinion. Let's go for a debate, and then we can come up with the necessary policies.

Mr Varma: Mr Deputy Speaker, Sir, my question was: will the debate centre around the legalisation of abortion?

The Deputy Speaker: Does the Minister know?

Mrs Seebun: Mr Deputy Speaker, Sir, it will be on abortion in general. We are especially going to list the complications and the risk of women's health being endangered.

Mrs Labelle: Mr Deputy Speaker, Sir, the hon. Minister has given us the date of 29 April. So, it is not that much far. May I ask her whether, by now, she has an idea on the topics, themes of the debate? I think this is why the Leader of the Opposition was asking about this Bill. Can we have an idea about what will be the themes of this debate that she is proposing?

Mrs Seebun: Mr Deputy Speaker, Sir, at this point in time, the Women Unit and the Family Unit are concurrently structuring all the themes and issues that will be taken on board.

Mrs Martin: Mr Deputy Speaker, Sir, in that case, how can the hon. Minister expect the groups, who want to intervene and who don't know on what they have to speak on, to be able to give fruitful information and fruitful contribution to this debate?

Mrs Seebun: Mr Deputy Speaker, Sir, we shall certainly send a brief to all stakeholders, so as to facilitate their intervention.

MOTOR VEHICLES - SMOKE EMISSIONS

(No. B/122) Mr Y. Varma (First Member for Mahebourg & Plaine Magnien) asked the Minister of Public Infrastructure, Land Transport and Shipping whether, in regard to smoke emissions from motor vehicles, he will state the remedial measures taken.

Mr Bachoo: Mr Deputy Speaker, Sir, the Road Traffic (Control of Vehicle Emission) Regulations 2002 provide for standards regarding vehicle emissions. The provisions for these Regulations are implemented by the National Transport Authority through the Vehicle Examination Centres. The vehicle owners have to satisfy the required norms so that their vehicles are granted the relevant fitness certificate. Besides, vehicle inspections are carried out by the officers of the NTA and Police officers whenever cases are excessive or heavy smoke emissions are visually detected. It must be pointed out that control of diesel propelled engines is quite a complex exercise, and it cannot be properly undertaken except with diesel smoke meters. Unfortunately, these two equipments often break down, and the cost of repairs is relatively high.

During the time the equipment is being repaired, examiners then rely on their experience and their visual appreciation of the smoke emissions to assess the fitness of the vehicles. I wish to inform the House, that admittedly, the existing situation is not the best one and that action has already been initiated with a view to creating the necessary legal framework, whereby duly equipped private examination centres will be licensed to operate.

They will be governed by a very rigid and well-defined mode of operation, and they will have to scrupulously respect the examination criteria laid down. As an element of check and control, the NTA will, at random, verify the validity of such certificates issued by the private operators. The proposed regulations have already been referred to the State Law Office, and they will be promulgated as soon as possible. I wish also to point out, with a view to reducing smoke emissions, Government has already decided that the State Trading Corporation should, henceforth, import diesel with a sulphur content of 500 parts per million (p.p.m) instead of 2500 p.p.m as at present.

Mr Varma: Mr Deputy Speaker, Sir, I have time and again raised this question in Parliament. In reply to a Parliamentary Question in 2006, it was stated that a Technical Committee was set up, comprising of officers from the MPI, the NTA, Ministry of Environment, RDA, University of Mauritius to make a report concerning the effective measures of control, and

the report was then awaited. Could the hon. Minister inform the house whether the report is now ready?

Mr Bachoo: Mr Deputy Speaker, Sir, I will have a check at it, and if the report is available I will have no hesitation to lay a copy on the Table of the National Assembly.

Mr Varma: Mr Deputy Speaker, Sir, concerning the apparatus which is used to detect smoke emissions, again, way back in 2006, the same reason was given that the apparatus breaks down often, and there was a will to put an order in all this. Can the hon. Minister inform the House whether this has been done?

Mr Bachoo: Mr Deputy Speaker, Sir, in fact, I am very much concerned with this, because when I were at the Ministry of Environment I had the same problem with the same type of metre which is available there. I can assure the hon. Member that I am trying to find ways and means to have better equipment than this one. Because, in fact, once there is a breakdown, it costs us above Rs500,000 to have it rectified and repaired.

Mr Bérenger: Mr Deputy Speaker, Sir, from what I understood, the hon. Minister does not find the present situation satisfactory. I think we all feel the same. But, does he not think that, in this kind of situation - it is totally unacceptable, and it sets the wrong example - the number of Government vehicles and buses of the National Transport Corporation that are guilty sets a very bad example?

Mr Bachoo: Mr Deputy Speaker, Sir, I totally agree with the hon. Leader of the Opposition. I can assure him that, in fact, we are trying to impose all types of controls and this is why we are trying to reduce the sulphur content in diesel from 2,500 p.p.m. to 500 p.p.m. We are definitely going to take action. In fact, there are plenty of Government vehicles, which have been prevented to run on the roads.

Mrs Labelle: Mr Deputy Speaker, Sir, may I ask the hon. Minister whether these equipment meant to evaluate the smoke emission are presently under working conditions?

Mr Bachoo: Unfortunately, right now, it is not in working condition.

Mrs Labelle: Can I ask the hon. Minister whether it is the case since 2006, when it got a breakdown?

Mr Bachoo: There has recently been a breakdown.

The Deputy Speaker: So, it did work and then broke down again.

Mr Guimbeau: Mr Deputy Speaker, Sir, we just had legislation preventing people from smoking in public areas. Can the hon. Minister say what concrete actions there are for all those vehicles, which are emitting lots of carbon monoxide right now? What are the concrete measures now?

Mr Bachoo: Mr Deputy Speaker, Sir, once the inspectors come across such cases, immediately those vehicles are sent to the Examination Centre of the NTA. If any defect is found on those vehicles, in that they are emitting too much of CO₂, then they are prevented from being run on the road unless and until they are repaired.

Mr Guimbeau: Mr Deputy Speaker, Sir, can the Police on the road fine vehicles which are emitting a lot of smoke?

Mr Bachoo: This is not the case now.

Mr Jhugroo: Mr Deputy Speaker, Sir, can I ask the hon. Minister whether his Ministry will liaise with bus companies to remind them on the need to fully service buses so as to prevent them from emitting dark smoke?

Mr Bachoo: There are regular meetings with bus companies and other stakeholders. I keep on reminding them about the necessity of keeping their buses in good standard.

Mr Von-Mally: Mr Deputy Speaker, Sir, due to this problem, is the hon. Minister contemplating the possibility of increasing the number of electric vehicles on the roads in Mauritius, starting by Government vehicles?

Mr Bachoo: Mr Deputy Speaker, it is not on the agenda actually.

Mr Gunness: Can I know from the hon. Minister whether the smoke emission is also a result of the quality of the diesel that we have actually? If yes, what will the authority do in case the driver says that his vehicle is like that, as a result of the quality of the diesel?

Mr Bachoo: Mr Deputy Speaker, Sir, as we all know, since years, diesel contains 2500 p.p.m, and I do not consider the quality to be bad. But, in fact, we want to improve it and that is why we want to bring it up to 500 p.p.m. This is an exercise that we are going to undertake, and probably it may take us a few months. But I cannot say that the quality is bad as compared to the past years. We definitely have to improve it, because in other countries also they have moved from 2500 to 500 p.p.m.

Mr Jhugroo: Mr Deputy Speaker, Sir, will the hon. Minister agree with me that there is a lack of Police officers to check vehicles of high smoke emissions? Will he impress the need for more checks on roads?

Mr Bachoo: Mr Deputy Speaker, Sir, in fact, one of the duties of the *Police de l'Environnement* is to check those vehicles, as well as the regular Police. But the problem is that every day there are hundreds of vehicles queuing up at the NTA for examination. That is the reason why we are moving for decentralisation. The paper I have already mentioned is with the State Law Office, and I hope the regulations will be ready within a month. Then, we can try to create, at least, four centers in the country.

STRAY DOGS – CONTROL

(No. B/123) Mr Y. Varma (First Member for Mahebourg & Plaine Magnien) asked the Minister of Agro-Industry, Food Production & Security whether, in regard to stray dogs, he will state the remedial measures taken for their effective control.

Mr Faugoo: The problem of stray dogs is being addressed on three fronts, namely through sterilisation, sensitisation and dog catching.

My Ministry, through the Division of Veterinary Services, is carrying out a sterilisation campaign, free of charge, in collaboration with the Protection of Animal Welfare Society (PAWS). The MSPCA also sterilises dogs at a nominal cost. The Division of Veterinary Services operates at its Headquarters at Reduit and its sub offices at Abercombie, Flacq, St. Pierre, Rose Belle and Bambous. Free transport is offered to dog owners.

In addition, all three stakeholders are also present on a daily basis as per a pre-arranged schedule using mobile well-equipped caravans supported by registered veterinarians and trained technicians.

The total number of dogs sterilised since 2005 to date amounts to 42,422. Sensitisation campaigns are regularly organized by the DVS with the collaboration of the MSPCA, PAWS, Local authorities and under MCA, particularly in areas densely populated by stray dogs.

The objective of this campaign is to sensitise members of the public on animal health and care, on the need to have their dogs sterilised to control the stray dog population and the risks represented by stray dogs to the general public.

The Mauritius Society for Prevention of Cruelty to Animals (MSPCA) is principally responsible for dog catching operations throughout the island.

The total number of dogs caught for period 2005-2008 is 51,780, that is, an average of 12,945 per year. The dog catching operations have been intensified since 2007 following an initiative taken by the Ministry of Tourism, Leisure & External Communications for more effective control of stray dogs, particularly in areas mostly frequented by tourists.

The Ministry of Tourism, Leisure and External Communications provides financial support to MSPCA as follows –

- (i) for registration and sterilisation of dogs, free of charge;
- (ii) clearing of land done by SPMPC in respect of temporary dog cemetery at Esperance, Quartier Militaire;
- (iii) catching of stray dog on public beaches, hotel resorts and also night dog catching activities;

- (iv) a soft loan of Rs1.7 m, out of which new dog catching vehicles were purchased;
- (v) recruitment of additional dog handlers/catchers, and
- (vi) contracting out of dog catching activities to three private contractors.

The Ministry of Tourism also provides financial assistance to PAWS. In August 2006, with the assistance of the Ministry of Tourism, Leisure and External Communications, the “*Quinzaine Canine*” was organised with the objective to tackle this national problem at source by the sterilisation of at least 75 % of dogs, thereby reducing the unwanted puppies. My Ministry proposes to carry out similar mass sterilisation campaign this year.

Furthermore, MSPCA has extended its dog catching activity from normal hours, that is, 0900 to 16 00 hrs, by providing services from early morning to late evening until 21 00 hrs, and also during weekends and public holidays.

Mr Varma: Mr Deputy Speaker, Sir, I thank the hon. Minister for his answer. We are aiming to attract two million tourists to this country. Despite the measures that have been mentioned by the hon. Minister, can he inform the House whether he is satisfied with the present situation?

Mr Faugoo: The problem is decreasing as such, Mr Deputy Speaker, Sir, with the measures we have taken. But it’s not sufficient in itself. We have to intensify, and this is why I said that we are going to carry out several campaigns this year, both to sensitise and also on dog-catching.

Mr Varma: Could the hon. Minister inform the House about the approximate number of stray dogs in the island?

Mr Faugoo: I don’t have the official figures. I do not think any survey has been carried out so far. The number of stray dogs being caught per day is roughly 150.

Mr Bodha: Mr Deputy Speaker, Sir, does the hon. Minister have an idea of the dog population as at today?

Mr Faugoo: I don’t have the figures, Mr Deputy Speaker, Sir.

The Deputy Speaker: Fair enough! Hon Jhugroo!

Mr Jhugroo: Mr Deputy Speaker, Sir, can the hon. Minister state to the House the number of vans presently involved in the catching of stray dogs and whether they are organized region-wise?

Mr Faugoo: As I said, there are three institutions which are carrying out the programme, namely PAWS, MSPCA and also the Vet Services of my Ministry. As far as the number of vehicles is concerned, I am not aware.

Mr Varma: Could the hon. Minister inform the House whether the Control of Stray Dogs Amendment Bill which was introduced in 2003 has been proclaimed?

Mr Faugoo: I have to look into it, Mr Deputy Speaker, Sir.

Mrs Perrier: In his answer the hon. Minister said that there is free transport for those who bring their animals for sterilisation. Can I know how it works?

Mr Faugoo: How it works? They bring their dogs and the cost of the transport is refunded.

(Laughter)

Mrs Perrier: Very funny! It is a serious question, Mr Deputy Speaker, Sir. I would like to know how the refund is made. Because anybody can come and bring his dog and say that he comes from, for example, Mahebourg or Quatre Bornes. How can the authority assess the refund?

Mr Faugoo: There are some official mechanisms which are set in place. It is a small sum; it is just for the refund of travelling which is incurred by the owner of the dog. I suppose the hon. Member wants to know if there is any fraud, that is, if people just bring dogs to claim for transport. I am not aware of this, Mr Deputy Speaker, Sir.

(Interruptions)

The Deputy Speaker: Hon. Faugoo! Please, answer the question!

Mr Faugoo: What I am saying is that there is a system set in place and it is working well.

The Deputy Speaker: Hon. Faugoo, I suggest you look into the matter and provide the Member with the information about the mechanism put in place.

Mr Faugoo: I'll do that, Mr Deputy Speaker, Sir.

Mr Bérenger: There are estimates of the number of stray dogs. That exercise is being carried out by the relevant authorities, but the hon. Minister could not give us any estimates and yet he said that the situation is improving. Can I know whether he has the trend, at least, insofar as the number of sterilizations and the number of stray dogs caught are concerned?

Mr Faugoo: As I said, Mr Deputy Speaker, Sir, we don't have an official figure, because no survey has been carried out so far on the number of stray dogs. What I know is that we have to multiply the number of dogs, officially registered with the MSPCA, by three to get the number

of stray dogs. I am not in possession of the official figure, this is why I cannot multiply and give the answer.

Mr Bérenger: Multiplying by three is at a given point in time. I don't think the game is to stay there; the thing is, of course, to improve. Will the Minister check? There are estimates, especially, at the Ministry of Tourism. Figures have been published and so on. Can we know the trend?

Mr Faugoo: The indication is that it is going down, because of the actions we have taken. I said that we have increased the number of vehicles, we have extended the time of catching the dogs from early morning to late in the evening. What I am saying is that I don't have the figures, but what I can say to the House is that it is going down; it is decreasing. I can come with the figures afterwards.

Mrs Labelle: Mr Deputy Speaker, Sir, may I, with your permission, come back to this question of free transport, because it is serious. Not later than last week, there was a woman crying for help to bring a dog to MSPCA and she was claimed a transport fee. Is free transport available? Maybe we can have the information so that the public can benefit from it. This is my first question, Mr Deputy Speaker, Sir. Unfortunately, in Mauritius, we have the habit of throwing out puppies, particularly the female puppies. Will the Minister consider some sort of regulation, maybe a fine to people who just throw out puppies, because I think this habit increases the population of stray dogs? Is there something we can do on this particular issue?

Mr Faugoo: In fact, there is a hot line working 24-hour a day. Anyone having problems with dogs, stray or otherwise, can use the number 800 28 88 to get any services which are available. If the hon. Member has any particular case in mind, she can give me the information and I will do the needful.

Mrs Martin: Can I know from the hon. Minister what becomes of the stray dogs once they are caught?

(Interruptions)

The Deputy Speaker: Hon Bundhoo, please!

Mr Faugoo: They are kept for three days and the owner/s can come and claim them back. Secondly, the dog can be adopted by someone if he so wishes. If this is not done, then after three days, the dogs are disposed of.

Mr Jugnauth: Can the hon. Minister tell the House how the stray dogs are being disposed of now?

Mr Faugoo: They are euthanized.

HAWKERS – PERMITS

(No. B/124) Mr Y. Varma (First Member for Mahebourg & Plaine Magnien) asked the Minister of Local Government, Rodrigues and Outer Islands whether, in regard to the hawkers operating without hawkers permit, he will state the remedial measures taken.

Dr. David: Mr Deputy Speaker, Sir, I wish to refer the hon. Member to the reply I made to PQ No. B/1250 to the effect that applications for hawkers license were generally not being entertained by the Local Authorities since 1994. However, in year 2004, all Local Authorities, except the Municipality of Port Louis were advised to grant hawkers license on a case to case basis subject to strict control. I am further informed that each Local Authority is currently working on projects to provide dedicated zones to accommodate hawkers without permits. In addition, the new markets at Rose Belle, Central Flacq and Rivière des Anguilles to be constructed under the Local Infrastructure Fund will provide additional stalls to absorb hawkers operating without permits.

Mr Varma: Mr Deputy Speaker, Sir, could the hon. Minister inform the House whether there is a time frame for these local authorities to relocate the hawkers operating without permits?

Mr David: Not necessary, Mr Deputy Speaker, Sir. As you know, the number fluctuates. They are seasonal hawkers and then they move from one place to another, but what we want is discipline in a reasonable manner.

VANDERMEERSCH STREET - TRAFFIC CONGESTION

(No. B/125) 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)

RIVER PARISEAU & RIVER CAMP FOUQUEREAUX - ENVIRONMENTAL PROBLEMS

(No. B/126) Mr S. Soodhun (Fifth Member for La Caverne & Phoenix) asked the Minister of Environment and National Development Unit whether, in regard to the environmental problems at River Pariseau and River Camp Fouquereaux near the Shivala, he will state if he will consider implementing projects to remedy the situation thereat.

Mr Bundhoo: Mr Deputy Speaker, Sir, a site visit will be effected shortly at both River Pariseau and River Camp Fouquereaux. As per observation and recommendation, necessary action will be undertaken.

Mr Soodhun: Mr Deputy Speaker Sir, I don't know whether the hon. Minister is aware that the Camp Fouquereaux branch road cannot be used when it rains because of the stagnant water and also because there is no drain. If this is the case, will the hon. Minister consider the possibility of constructing a drain starting from Shivala up to 'Berty's house' where there is an existing canal?

Mr Bundhoo: Mr Deputy Speaker, Sir, in fact, the question was about the environmental problems at River Parizeau. It was an issue with regard to water accumulation and construction of drain. As my attention is drawn to it, I will certainly look into the matter.

HIGHLANDS, PARIZEAU, CARREAU LALIANE, CASTEL, SOLFERINO NO. 5 – DRAINS

(No. B/127) Mr S. Soodhun (Fifth Member for La Caverne & Phoenix) asked the Minister of Environment & National Development Unit whether, in regard to the problems of drain at Highlands, Parizeau, Carreau Laliane, Castel, Solferino No. 5 at Balance, he will state if any projects have been earmarked thereon and, if so, when.

Mr Bundhoo: Mr Deputy Speaker, Sir, in the region of Highlands under the Emergency Rehabilitation Programme, following the flash flood of 26 March 2008 and, at the request of hon. Dr. Kasenally, hon. Chaumière and hon. Dr. Hawoldar, a series of flood prone areas have been identified and some implemented. One drain project at Cité 50, involving a sum of Rs3.7 m., was completed. Another one at Nadesh Road, with a project value of Rs2.1 m., is almost completed with only reinstatement works being left to be done. Furthermore, still in the region of Highlands, the Municipal Council of Vacoas/Phoenix proposes to undertake drain works off Boundary Street, Bassin Road, Phael Street, Morcellement Lonrho and, believe me or not, Mr Deputy Speaker, Sir, Bundhoo Lane in the near future. For the region of Parizeau, a drain over a stretch of 435 metres, involving a sum of Rs4.5 m., has been constructed under the Emergency Rehabilitation Programme. Furthermore, another stretch of 13 metres has also been constructed at the far end of Parizeau. The Municipal Council is envisaging to construct drain near Jeetoo Lane.

For the region of Carreau Laliane, an absorption drain over a stretch of 20 metres, with a project value of Rs175,000, has been constructed by the Municipal Council of Vacoas/Phoenix in 2007/2008. It is also envisaged to construct an absorption drain over a stretch of 30 metres at a cost of Rs360,000 near Maharaja Store at Carreau Laliane.

Although no complaint regarding flooding or water accumulation in the region of Castel has been registered, I have requested the Consultant of the National Development Unit, namely LuxConsult (Mtius) Limited, together with the hon. Members of Parliament of the said constituency to identify prone areas with regard to flood.

We understand that the problem at Solferino No. 5 is mainly due to the diversion of water from river Tatamaka to a rivulet by planters for irrigation purposes. Thus, because of its limited capacity, the rivulet overflows, sometimes causing severe flooding in the said locality. The

Water Resources Unit, the Municipal Council of Vacoas/Phoenix and the National Development Unit will make a concerted effort to find a solution in the near future.

Mr Soodhun: Mr Deputy Speaker, Sir, just to remind the hon. Minister, we do have five MPs in Constituency No. 15, La Caverne/Phoenix. In fact, I am doing my job. I visited Pariseau Street last week with the Mayor of the Municipality of Vacoas/Phoenix. What the Minister has stated is right, but let me just explain to him because he has not visited the site. In Pariseau Street, we have a hut and, due to the heavy rain, half of the hut has gone in the river. This is the exact situation right now. What I am asking the hon. Minister - there are two problems - as well as his three colleagues Ministers is to visit again Pariseau Street and also the Castel Madrassa, that is, Allée Brilliant.

The Deputy Speaker: Hon. Member, put your question, please!

Mr Soodhun: Most of the time, people cannot travel in the rainy season because it is impracticable, especially for the children going to Castel Madrassa. I make a humble request of the hon. Minister, so that, next time, he better informs us. All my other colleagues will also be glad to visit the site.

Mr Bundhoo: Mr Deputy Speaker, Sir, may I loyally assure the hon. Member of Parliament, hon. Soodhun, that I will also include hon. Mrs Dookun-Luchoomun.

Dr. Hawoldar: Mr Deputy Speaker, Sir, may I just ask the hon. Minister whether he has taken cognizance of a letter written to him by the Municipality of Vacoas/Phoenix requesting a sum of Rs19.2 m. for additional drains to be constructed in the region?

Mr Bundhoo: Mr Deputy Speaker, Sir, I think that, at the first stage, Rs70 m. were transferred from the NDU to the Municipality of Vacoas/Phoenix under the Emergency Rehabilitation Programme. An additional sum, if I am not mistaken, of Rs19 m. was requested, and that also has already been transferred and agreed upon.

EMPOWERMENT PROGRAMME - MONEY DISBURSED, PROJECTS, ETC

(No. B/128) Mr S. Soodhun (Fifth Member for La Caverne & Phoenix) asked the Vice-Prime Minister, Minister of Finance & Economic Empowerment whether, in regard to the Empowerment Programme, he will state –

- (a) the amount of money disbursed since its implementation, and
- (b) the number of projects involved, indicating the criteria used to finance same.

The Vice-Prime Minister, Minister of Finance & Economic Empowerment (Dr. R. Sithanen): Mr Deputy Speaker, Sir, as the House is aware, the Empowerment Programme was set up in July 2006 and a number of initiatives have been launched since then to widen the circle of opportunities, targeting the unemployed and the

retrenched; small enterprises, as well as start-ups and vulnerable families. Accordingly, four major programmes have been developed. These are namely –

- (i) the Training and Reskilling programme aimed at enhancing employability of those currently unemployed through training and re-skilling including the re-skilling of retrenched workers. There are some 7,000 beneficiaries under this programme, out of which it is estimated that some 3,500 have secured a job;
- (ii) a Special Programme for unemployed women aimed at equipping the unemployed and retrenched women with the required skills, so as to enable them to enter the world of work and develop an income generating activity. To date, there are some 650 women beneficiaries under this programme;
- (iii) an Integrated Social Development Programme to provide support to low-income and vulnerable groups through an integrated approach to enable them to take advantage of the opportunities of the economic and social development. There are some 230 beneficiaries who are covered under this programme, primarily at Bambous, and
- (iii) a programme to support the SMEs aimed at encouraging entrepreneurship and improving the capacity and competitiveness of small enterprises, increasing their access to markets and also providing dedicated support to sectors in distress. In addition, Tourist Villages are being set up to provide necessary platform for local service providers and handicraft manufacturers.

Insofar as part (a) of the question is concerned, as at end March 2009, a total amount of Rs1.2 billion has been spent in favour of all the beneficiaries mentioned above.

With regard to part (b) of the question, Mr Deputy Speaker, Sir, a listing of projects details and the respective eligibility criteria is being tabled.

Mr Guinness: Mr Deputy Speaker, Sir, can I know from the hon. Minister how many such tourist villages have been set up and what is the actual position of the Belle Mare Tourist Village? Where do matters stand?

Dr. Sithanen: It was a long tendering process. I think the first one would start in Belle Mare. Probably, the first one would be in Mahebourg, if my understanding is correct, Mr Deputy Speaker, Sir. As for the third one, we are looking for a land in Medine. There is a fourth one being discussed at Grand' Baie.

Mr Guinness: Mr Deputy Speaker, Sir, I would like to know whether there is a time frame for the one at Belle Mare, and when will it be officially ready.

Dr. Sithanen: In fact, Mr Deputy Speaker, Sir, it is costing much more than we initially thought. But I think it will be a good one for the region. I understand that the contract has been awarded and that construction will start very shortly.

Mr Soodhun: Mr Deputy Speaker, Sir, I understand from the hon. Vice-Prime Minister and Minister of Finance that there is a lot of projects in the pipeline and, due to many reasons, we don't have a Chairperson now. Will the Board take the decision to continue to sit, or will another Chairperson be nominated?

Dr. Sithanen: It is a Board decision, Mr Deputy Speaker, Sir. The work will continue as the programme has already been established. We will try to find an interim Chairman until we locate the right bird to take the chairmanship of the Empowerment Programme.

Mrs Perrier: Mr Deputy Speaker, Sir, the hon. Minister talked about looking for land in the Medine area. Is he aware that the Medine Sugar Estate has already opened a market in Bambous to cater for the local artisans?

Dr. Sithanen: Not only am I aware. In fact, I visited it. I made some comments on it. Unfortunately, according to some experts that we have consulted, it is not ideally located for a Tourist Village. They have identified a plot of land, which I think is ideal. It is closer to the filling station. We are still in the process of discussing with Medine. Most people believe that we need a place where tourists will come, whereas the market which the hon. Member is talking about *est un peu en retrait*.

Mr Lesjongard: Mr Deputy Speaker, Sir, under the National Empowerment Foundation, I understand that 200 Mauritians have been sent to work in Canada in the agro industry. Can the hon. Minister inform the House whether there is some sort of follow-up or monitoring done on those Mauritians in Canada?

Dr. Sithanen: If I had given all the details, Mr Deputy Speaker, Sir, it would have taken me a long time. It is contained in the document that I am circulating. In fact, 194 persons have been recruited and almost all of them apparently are doing well. The echo that we received from Canada is that because of the bilingualism of our Mauritian compatriots and their *esprit de débrouillardise*, they are doing better than people from other countries. In the same vein, Mr Deputy Speaker, Sir, we are finalising a programme with France also where, if my memory serves me right, there are approximately 65 *métiers* which our compatriots can apply for.

Mrs Perrier: J'aimerais revenir, M. le président, si vous me permettez, sur le *market fair* à Bambous. C'est vrai qu'il n'est pas idéalement situé. Au lieu de chercher un autre endroit qui sera au détriment de ceux qui y travaillent et qui sont de petits artisans, est-ce qu'il ne serait pas mieux que le ministère fasse de la promotion et invite les touristes à venir dans cet endroit? Parce que pour l'instant il est à moitié rempli ou à moitié vide selon la façon de regarder la chose. Ce serait peut-être plus judicieux dans l'intérêt des petits artisans de faire de la promotion pour ce marché plutôt que de gaspiller des ressources.

Dr. Sithanen: Mr Deputy Speaker, Sir, I am probably the greatest supporter of economic democratization and that's why I take a personal interest in it. Many of my colleagues from constituencies, where there is not a great flow of tourists, put a lot of pressure. They say that if you put the facility, the tourists will come. I am not sure we can take such risks, Mr Deputy Speaker, Sir. This is the beginning of a process. In my humble judgment, it is better to make sure that people who we are trying to help, get business. And the only way to get business is to locate it in places where there is a regular flow of tourists.

Mrs Grenade: Mr Deputy Speaker, Sir, regarding the tourism village project, may I ask the Deputy Prime Minister whether there is the same project for Rodrigues?

Dr. Sithanen: There has been some discussion and, in fact, we are willing to consider the possibility of setting one in Rodrigues on the basis that we will provide the facility. We need to put it in a place where tourists will come. In fact, this has been the major stumbling block. Do you put it in a place where currently there is no tourist and they try to attract stumbling block. Do you put it in a place where currently there is no tourist and they try to attract tourists? In this case the people can be very unhappy in the initial stage. Or do you try to put it in a place where there is a regular flow of tourists where they can get business? At the end of the day, we want people to have business. It does not make sense to put them in a place where it is very nice, *mais il n'y a personne qui passe*.

Mrs Dookun-Luchoomun: May I ask the hon. Minister whether he is in a position to give us the total sum disbursed, the amount that has gone to the woman entrepreneur project?

Dr. Sithanen: I think it is included in the figures that I am circulating. Otherwise, if the hon. Member would come with a specific question, I will give the reply. I think there are about 40 projects; and I have asked the officers to indicate what is the amount spent so far.

Mr Von-Mally: Can I know from the hon. Vice-Prime Minister how many Rodriguans have benefited from the Empowerment Programme?

Dr. Sithanen: I think we have some figures, Mr Deputy Speaker, Sir. We have done some work in Rodrigues. I think last week there was a question on housing; we have helped as far as housing is concerned. My good friend knows what other problems we are facing in trying to set up a more enhanced Empowerment Programme in Rodrigues. I hope that we can find a solution and we can broaden the scope of this programme for Rodrigues. If there is one part of our country where people need more empowerment it is Rodrigues. But we need to find a workable solution. What we need is to empower people and we have to make the distinction between empowering people and solidarity, which falls under the responsibility of the Ministry of Social Security, National Solidarity & Senior Citizens Welfare & Reform Institutions. Very often, people do not make the distinction between solidarity which will remain a key function of the State and empowerment where we are trying to bring in the private sector.

The Deputy Speaker: Last question, hon. Jhugroo!

Mr Jhugroo: Concerning Rodrigues, would the hon. Vice-Prime Minister agree with me that if he removes the airfare tax to Rodrigues, more tourists will go there?

Dr. Sithanen: I presume if you remove tax on everything, you would get more, but then, how do you run a budget, Mr Speaker, Sir?

DEVELOPMENT BANK OF MAURITIUS – RESTRUCTURATION

(No. B/129) Mr S. Soodhun (Fifth Member for La Caverne & Phoenix) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether he will, for the benefit of the House, obtain from the Development Bank of Mauritius, information as to the changes that are being brought at the level of the Board in the management thereof.

The Vice-Prime Minister, Minister of Finance & Economic Empowerment (Dr. R. Sithanen): Mr Deputy Speaker, Sir, Government has on various occasions and, more particularly, the House would recall that during the 2006/07 Budget, we stressed on the need to restructure the Development Bank of Mauritius. The DBM, over the years has developed into a mammoth organisation with outdated, cumbersome, and inefficient procedures and unable to sustain satisfactorily our SMEs which are increasingly operating in a globalised and highly competitive market.

In this respect, my Ministry has, after an international tender exercise, retained the services of an international consultancy firm, the International Financial Consulting Ltd. from Canada, to help diagnose the problems of the DBM and suggest options to make it more efficient and responsive to SMEs and other clients' needs.

The consultants have submitted an Interim Report in late February 2009 and one of the conclusions that they have reached is that the DBM is in reality in a very heavily loss making situation with its capital base severely eroded. The consultants have proposed various options of how to restructure the bank. Their recommendations are currently being examined and the implementation of the preferred option would eventually lead to the required review of its strategic focus and operational structure.

Mr Varma: Mr Deputy Speaker, Sir, can the hon. Vice-Prime Minister and Minister of Finance inform the House what are the recent changes which have been brought about in the administration of the DBM?

Dr. Sithanen: The Chairman was requested to leave and the Managing Director has taken his pension. I am not sure whether this was the answer that my hon. friend wanted. We have appointed a new Chairman, we have also appointed an interim CEO, but we need to await the conclusions of the experts before we make any further decision on governance and also on the objectives of the DBM.

Mr Lesjongard: Mr Deputy Speaker, Sir, with the ongoing reforms at the DBM, can the hon. Vice-Prime Minister confirm that at the end of the day we might get a bank dedicated to the cause of SMEs?

Dr. Sithanen: This is my preferred option. I am not sure what will happen because everybody knows there are three *guichets* at the DBM. There is a commercial one, a developmental one - of which I am a great fan - and then they also manage the industrial estates. The problem that we are facing today is that the industrial estate is making the money and cross-subsidising the two other *guichets*; and we have to find a solution. If we were to go on the proposed line of the Member what will you do with the two other *guichets*?. On their own, they may not be sustainable from an economic and financial standpoint. We are looking into all these possibilities. Let me inform the House that the consultants have proposed six solutions.. We have asked them to narrow them down to two; then we will go to the Council of Ministers and decide what is the best solution for the DBM given the constraints that we face.

Mr Guimbeau: Mr Deputy Speaker, Sir, the hon. Vice-Prime Minister just stated that the former Chairman was requested to leave and he appointed a new Chairman. I would like to know from the hon. Minister whether a new appointment was made on the basis of equal opportunity. Was the post advertised?

Dr. Sithanen: Mr Deputy Speaker, Sir, let me be very fair. He is probably one of the best economists. You may not agree with me. You could have picked on a different person to level this type of allegations. He is very well qualified; he writes well; he criticises me at times, but he is an independent person, he is doing a good job. Let him do his job, my friend!

Mr Dullo: Mr Deputy Speaker, Sir, now the hon. Minister seems to confirm what he has said, that is, the Chairman was asked to leave, but the public information is to the effect that the Chairman left on his own for personal reasons. Could we be further enlightened on this issue?

Dr. Sithanen: I think, on this particular case, the least enlightened we are, the better for all of us.

Mr Gunness: Can I know from the Vice-Prime Minister whether the CEO was asked to resign or he resigned on his own?

Dr. Sithanen: Mr Deputy Speaker, Sir, we are not going to indulge in rhetoric. He is not there anymore; let us look ahead of us in trying to get an institution that is capable of fulfilling the objectives for which it was set up.

Mr Guimbeau: I do not agree when the hon. Vice-Prime Minister says that the new Chairman was the best we can find. How can he know he is the best if the post was not advertised?

Dr. Sithanen: But we don't advertise for such post. Mr Speaker, Sir, there are not 25,000 economists in this country. I know how to make the distinction between good economists and others.

Mr Jhugroo: Mr Deputy Speaker, Sir, can I ask the hon. Vice-Prime Minister what are the terms and conditions of appointment of the new Chairman?

Dr. Sithanen: It is not different from the one who was there between 2000 and 2005.

NATIONAL PENSION FUND – INVESTMENTS

(No. B/130) Mr G. Lesjongard (Second Member for Port Louis North and Montagne Longue) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the investments made by the National Pension Fund over the past year, he will state –

- (a) the names of the different financial institutions where the funds have been invested
- (b) the amount of money invested in each institution, and
- (c) the expected return on the investments.

The Vice-Prime Minister, Minister of Finance and Economic Empowerment (Dr. R. Sithanen): Mr Deputy Speaker, Sir, I am informed that the National Pension Fund/National Savings Fund Investment Committee adheres to self imposed financial exposure limits with respect to risks in making investment decisions.

During the calendar year 2008, a total amount of Rs14.9 billion has been invested in 14 institutions. A listing of the institutions and the respective amounts invested is being tabled. I also wish to inform the House that the Fund posts details of investments made on a quarterly basis on its web site.

As regards to part (c) of the question, I am informed that the NPF expects a return of 9% per annum on these investments calculated on a weighted average basis. On the other hand, it expects an overall return of 11% on a total portfolio basis.

Mr Lesjongard: Mr Deputy Speaker, Sir, since the Vice-Prime Minister states that evaluation is done on a quarterly basis, can we get an indication on the evolution of investment for the last two quarters?

Dr. Sithanen: The hon. Member did not ask me for the last quarter, he asked me for the year 2008. I have given the figures: the Rs7 billion is for Bank of Mauritius, and Rs331 m. for Development Bank of Mauritius. I have given the list. If the hon. Member comes forward with a question, I'll ask the information and give him the answer next week. He did not specifically ask for the last quarter, but they do it on a quarterly basis.

Mr Lesjongard: Mr Deputy Speaker, Sir, with regard to foreign equity and hedge funds, can the Vice-Prime Minister give us an indication of the percentage on capital gain?

Dr. Sithanen: In the list you can see the figures: the Bank of Mauritius, the Development Bank of Mauritius, the State Bank of Mauritius, Standard Bank of Mauritius, Standard Bank of

India, Barclays Bank, Investment Bank, Banque des Mascareignes, Stock Exchange of Mauritius, MAN Investment Rs19 m. - I don't know whether this is a hedge fund - UBS, SBM Universal and IT. It is only Vendome Rs5 m. and MAN Investment Rs19 m. - I don't know what they are - I will have to find out. But you can see Rs24 out of Rs14.9 billions is less than 0.2%. I don't have the figures. But, in fact, Mr Deputy Speaker, Sir, I have the status as at 31 March 2009, the market value of the fund is Rs55.7 billion out of which hedge fund is 1.92%. In fact, what they are showing here is that the amount invested in hedge fund is Rs796 m. and the market value of these hedge funds is Rs1 billion. I am sure what the hon. Member is asking what was the market value last year and what it is this year.

Mr Guimbeau: Mr Deputy Speaker, Sir, can the hon. Vice-Prime Minister reassure the House that, with the actual investment made by the National Pension Fund, pensioners will not be penalized and will get paid in the near future?

Dr. Sithanen: Mr Deputy Speaker, Sir, 26% in Government stock and bonds, 27% in treasury bills and treasury notes. So, we can see that 52% is triple 'A', unless you believe that the country will go bankrupt. Then, we have deposit at DBM, rupee deposit, foreign currency deposit. I must tell the hon. Member that the NPF has achieved a significantly higher return on its investment last year than most pension funds in the world.

The reason is that their exposure to equity is less than other pension funds. I must confess that in the long term I am not very sure that this is the best decision. But you can't be criticised for doing something and for not doing it at the same time. In the long term everybody knows that return on equity is higher than return on fixed assets. But if they had done this, they would be criticised by the Opposition. But, in fact, they have been very prudent not only in terms of the share of local investment compared to the share of investment overseas, but also in terms of the nature of the investment. In fact, Mr Deputy Speaker, Sir, the GAD - I think they call it Government Actuarial Department of the UK - has stated that the performance of the NPF has been significantly better than other comparable funds.

Mr Guimbeau: Mr Deputy Speaker, Sir, according to information we are not sure whether some pensioners will get their money next year. Can the hon. Minister reassure the House that this will not be the case?

Dr. Sithanen: Not only I can reassure the hon. Member for next year, I can reassure him for the next 50 years.

NATIONAL RESIDENTIAL PROPERTY TAX -AMOUNT COLLECTED

(No. B/131) Mr G. Lesjongard (Second Member for Port Louis North and Montagne Longue) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the National Residential Property Tax, he will, for the benefit of the House, obtain from the Mauritius Revenue Authority, information as to the total amount of money

collected since its imposition to date, indicating the amount thereof that have been used for the setting up of market fairs.

The Vice-Prime Minister, Minister of Finance and Economic Empowerment (Dr. R. Sithanen): Mr Deputy Speaker, Sir, I wish to inform the House that in the financial year 2007/2008 an amount of Rs119 m. was collected as National Residential Property Tax. As at to date, for financial year 2008/2009, I am informed by the Mauritius Revenue Authority that receipts under the NRPT amounts to Rs113 m. Thus a total of Rs232 m. has so far been collected. In line with the commitment of Government to use the NRPT receipts to implement some key socio-economic development projects of Local Authorities such as the construction or upgrading of market fairs, the total amount received in 2007/2008 has already been transferred to the Local Infrastructure Fund which is managed by the Ministry of Local Government. I am informed that the Fund has already earmarked Rs196 m. more than the amount collected in the preceding financial year for 5 market fairs: namely at Rose Belle for an amount of Rs86 m. this is under construction and will be completed in June 2009 for an amount of Rs86 m.; Central Flacq for Rs55 m; Rivière des Anguilles for Rs20 m; Abercrombie for Rs20 m. and for the covering of the existing market at Quatre Bornes for Rs15 m. I am further informed that the construction of the Rose Belle Market Fair has started and so far an amount of Rs11.4 m has been disbursed and as per progress of work an additional amount of Rs7.6 m. is expected for disbursement by the end of this month.

As indicated earlier on, the project will be completed in June 2009. Insofar as the covering the Quatre Bornes market is concerned, bids have also been launched whereas tender documents for the Abercrombie market, I understand are being cleared by the Central Procurement Board .

Mr Bérenger: Mr Deputy Speaker, Sir, can I ask the hon. Minister whether he has the number of households that have paid the National Residential Property Tax in the two years he has referred to?

Dr. Sithanen: Mr Deputy Speaker, Sir, I think it is about one percent of the household. I will check the figure. The last time I checked, Mr Deputy Speaker, Sir, I think there was a total of around 15,000 people who were paying this tax. However, I must also make two remarks, Mr Deputy Speaker, Sir. First, a sizeable share of the NRPT is being paid by the corporate sector. I don't want to mention the banks, but many of these big institutions have large houses for their Managing Directors. This falls under the umbrella of the NRPT. In fact, I was pleasantly surprised that a sizeable share of the NRPT is coming from them.

Mr Lesjongard: Mr Deputy Speaker, Sir, with regard to figures, I understand that 16,844 individual taxpayers have paid the NRPT and the average amount paid by each taxpayer is Rs3,832.; and out of Rs119 m, Rs18 m. have been paid by companies, does not the hon. Minister find it unfair that as at to-date we still do not have a valuation roll and that the MRA has already collected Rs382. m. out of the NRPT?

Dr. Sithanen: The choice is very straightforward. If we had not introduced this tax, we would have had to levy other taxes. This choice has existed since this country has become independent. I don't want to tease the hon. Member. All Ministers of Finance have to do that, but we have said that we shall use the totality of this money for infrastructure; and we are using all the money. The figure he gave is not different from the one that I have mentioned, approximately 15,000. I am not sure I have fully understood the significance of the question of the hon. Member.

Mr Bérenger: The hon. Minister has not challenged the figure put forward by hon. Lesjongard, which contradicts what he had said. He had said that a big chance...

The Deputy Speaker: Seizable share.

Mr Bérenger: ... is given by companies, banks and the others and the figure quoted by the hon. Member is completely different.

Dr. Sithanen: It depends on what you mean by seizable. If he asks a substantive question, I will come with the answer. But anyway I have said it's about 1% of the population, Mr Deputy Speaker, Sir. This is better than increasing VAT on 100% of the people.

Mr Dulloo: Mr Deputy Speaker, being given the hardship that this tax is causing to the individual taxpayers, specially individual households, and being given the contradiction we have just heard as to who is contributing most under this tax, will the hon. Minister urgently consider reviewing this whole tax, if not abolishing it altogether?

Dr. Sithanen: Mr Deputy Speaker, Sir, this is political demagogy. The alternative Mr Deputy Speaker, Sir, is increasing VAT; everybody knows about this.

(Interruptions)

Mr Dulloo: Mr Deputy Speaker, Sir, on a point of order.

The Deputy Speaker: There is a point of order.

Mr Dulloo: The hon. Minister is imputing motives to an hon. Member of this House. I have asked this question as mandated by people who have elected me to this House. So, I am putting their view to this House; there is no demagogy, this word should be withdrawn by the hon. Minister.

The Deputy Speaker: I have taken your point, hon. Dulloo. May be, the hon. Minister will just tell us whether he intends to have this tax reviewed or not.

Dr. Sithanen: Mr Deputy Speaker, Sir, as I said, in life you have to make choice. Life is not between good and evil, life is often between the preferred and the detested. I prefer the NRPT on 1% of people to an increase of 50% in VAT, that penalise 100% of people.

Mr Lesjongard: Mr Deputy Speaker, Sir, I have quoted from the Annual Report 2007/2008 of the Mauritius Revenue Authority where it is stated that for the year 2007/2008, an amount of Rs119 m. was collected under NRPT of which Rs101 m. were paid by individuals and Rs18 m. by companies and *sociétés*. The Vice-Prime Minister mentioned about projects being carried out in relation to collection of NRPT. He has not talked about the two projects which were mentioned during his Budget Speech, that is, the waterfront of GRSE and the fishing market at Grand' Baie. Are these two projects still on?

Dr. Sithanen: Mr Deputy Speaker, Sir, there is a contradiction. On the one hand, they are asking us to remove tax; on the other hand, they want us to finance more on expenditure. Mr Speaker, Sir ...

(Interruptions)

Let me finish! Let me finish!

The Deputy Speaker: Hon. Minister, can you allow me that? The hon. Member is just asking whether those two projects are being proceeded with.

Dr. Sithanen: For the projects to be funded, you need money, and, in fact, I have just stated in my answer that the amount that we have committed is more than the money collected. Mr Deputy Speaker, Sir, I am a simple Minister of Finance, I am not a magician.

Mr Jugnauth: Mr Deputy Speaker, Sir, doesn't the hon. Minister consider that the criteria laid down for the implementation of the NRPT is very unfair?

Dr. Sithanen: Mr Deputy Speaker, Sir, Adam Smith says on the four canons of taxation: on efficiency, on fairness, on convenience, amongst others. That's why I say the choice is not between evil and good, the choice is between the preferred and the detested, Mr Deputy Speaker, Sir. Only 1% of the population is paying this tax. As opposed to that, 100% of the population would have paid a higher VAT.

CEDEM - MINORS K. M., D. K. M.

(No. B/132) Mr G. Lesjongard (Second Member for Port Louis North & Montagne Longue) asked the Minister of Education, Culture and Human Resources whether he is aware that the CEDEM has refused to accept minors L. M., K. M. amongst others and, if so, will he state if his Ministry proposes to take measures to enable these children to pursue their studies.

Dr. Bunware: Mr Deputy Speaker, Sir, I am informed that both pupils who were enrolled at the "*Centre d'Éducation et de Développement de l'Enfant Mauricien*" (CEDEM) for some time have left and are attending other specialised schools. In fact, D.K.M - both of them are K.M, not L.M and KM but KM and DKM; I am talking about the second one - who joined CEDEM on 07 February 2003 left the institution since 2006 for Foyer Namasté, located in Roche Brunes, where, I am also informed he has adapted himself.

Mr Deputy Speaker, Sir, as regards K.M who attended CEDEM from 2003 to February 2009, I am informed that due to some tense relationship between the parents and CEDEM, the former deemed it more appropriate to have the child transferred to another school. K.M therefore left CEDEM in February 2009 and is presently admitted at the Children Foundation, another specialised school registered with my Ministry.

Mr Deputy Speaker, Sir, I believe personally that up to now Special Education Needs (SEN) has not received the attention we all in this House would have wished for various reasons specially for lack of means.

Even when education was made free and Government was funding a few Special Education Needs School, it was still very difficult for all children to have access to Special Education Needs Institutions. I would like to reiterate this Government's commitment to give all children of Mauritius equal opportunities to quality education, on the basis of their human rights to education as well as our Government's moral and ethical obligation to protect our children who are more at risk of being excluded and marginalised.

In line with the National Policy and Strategy Paper for Special Educational Needs, published in 2006, my Ministry has adopted an inclusive educational system, aimed at responding to the needs of each student through a child centred pedagogical approach and an adapted curriculum with a view to ensuring that no child is left behind. As highlighted in the Education and Human Resource Strategy Plan (2008-2020) my Ministry is elaborating an Action Plan, with defined goals and targets so that all Special Education Needs Children in Mauritius will be enjoying access to relevant high quality education.

Mr Lesjongard: Mr Deputy Speaker, Sir, does not the hon. Minister find it fit that in such cases there should be mediators to deal with problems related to the parents and the person responsible for such schools?

Dr. Bunwaree: Mr Deputy Speaker, Sir, I think this is a good question. In fact, we are trying to go along this line and for the time being, I have asked people of my Ministry themselves to mediate, as far as possible.

Mrs Labelle: Mr Deputy Speaker, Sir, I heard the hon. Minister mentioning that the policy of his Ministry regarding special education needs is the inclusive approach. May I ask the hon. Minister what have been the measures implemented to ensure the inclusive approach of the special education needs during the past years, that is, since 2006?

Dr. Bunwaree: The problem is very difficult, Mr Deputy Speaker, Sir, because it is a question of means finally and there is also the question of trying to find in the country wherever they exist, where are these children because all of them are not in the mainstream schools. We have published the 2008/2020 Strategic Plan. We are going to have a debate, brainstorming around this very specific question to which I am personally very much attached and as time comes in the coming weeks, we'll certainly find a way out.

Mr Lesjongard: Mr Deputy Speaker, Sir, with regard to the behaviour of such difficult children, may I ask the hon. Minister whether it is done by a panel or it is done by the responsible of the institution?

Dr. Bunwaree: Well, it is done by the responsible of the institution in collaboration with the parents and, of course, they try to find a care giver, who is well-adapted to the problems of the child.

Mr Lesjongard: One last question, Mr Deputy Speaker, Sir. Is it very difficult to find such a person to take care of those children in such schools?

Dr. Bunwaree: It is not so difficult, but what is more important is the relationship between the management and the parents. Parents feel that they have problems with the management and the management feels that they are trying to do their best and the parents do not understand. This is where the problem crops up.

The Deputy Speaker: One last question!

Mrs Perrier: In some countries, parents are allowed to cater for their children in the private and public schools. Can it be the case in Mauritius?

Dr. Bunwaree: Yes, it is. Parents are catering for whenever they are not working, if not they can get the help of carers, but in this particular case, especially part 3(a), the problem was that both parents were not available for the child during working hours and they were trying to give their best. In fact, they did the best they could, but, unfortunately, as I said, problems cropped up between the management and the family.

CITÉ ROMA, RICHE TERRE – FLOODING

(No. B/133) Mr G. Lesjongard (Second Member for Port Louis North & Montagne Longue) asked the Minister of Environment & National Development Unit whether he is aware of the flooding problem at Cité Roma, Riche Terre, and if so, will he state the remedial measures that will be taken, if any.

Mr Bundhoo: Mr Deputy Speaker, Sir, a contract for the construction of drain at Ruisseau Terre Rouge involving a sum of R45.3m. has already been awarded to Best Construct Ltd on July 2008, and the project is under way.

I have been informed that the project includes dredging and cleaning works along the River crossing Cité Roma, Riche Terre. My Ministry has requested District Council North to continue with regular cleaning of the drain, starting in the region of Morc. Raffray up to Riche Terre private cemetery.

Furthermore, my Ministry has also requested the contractor, Best Construct Ltd, to ensure that the ongoing works do not create any further inconvenience to the inhabitants of Cité Roma.

Mr Lesjongard: Mr Deputy Speaker, Sir, I think I need to clarify my question. My question is in relation to flooding problems at Cité Roma and, I heard the hon. Minister mention about Ruisseau Terre Rouge. Ruisseau Terre Rouge is kilometres away from Cité Roma.

Mr Bundhoo: Mr Deputy Speaker, Sir, I regret to inform the hon. Member that he has not listened properly. I have said that it is an ongoing project, starting from Ruisseau Terre Rouge. I have been informed that the project includes dredging and cleaning works along the river crossing Cité Roma, Riche Terre.

Mr Jhugroo: Thank you, hon. Minister! Mr Deputy Speaker, Sir, can I ask a very simple question to the hon. Minister? When will the construction of drains at Cité Roma start and when will it end? I need a very simple answer hon. Minister!

Mr Bundhoo: Mr Deputy Speaker, Sir, I have already replied to that question. I have said that the contract was awarded on 15 July 2008 and is under way, that is, ongoing!

Mr Jhugroo: When will construction at Cité Roma end? Give me a date!

Mr Bundhoo: Mr Deputy Speaker, Sir, I have just informed the hon. Member. It's ongoing!

Mr Lesjongard: Mr Deputy Speaker, Sir, with regard to the flooding problem at Cité Roma, can the hon. Minister state whether it is because of lack of drains or because of overflowing of a rivulet?

Mr Bundhoo: Mr Deputy Speaker, Sir, this is why earlier on in my reply, I said: Furthermore, my Ministry has also requested the contractor, Best Construct Ltd, to ensure that the ongoing works do not create any further inconvenience to the inhabitants of Cité Roma.

NTC - F/YRS 2006-2008 - PROFITS & LOSSES, NUMBER OF BUSES, ASSETS VALUE

(No. B/134) Mr G. Gunness (Third Member for Montagne Blanche & GRSE) asked the Minister of Public Infrastructure, Land Transport & Shipping whether, in regard to the National Transport Corporation, he will, for the benefit of the House, obtain from the Corporation, information as to –

- (a) the amount of profits or losses made during the financial years 2006-2007, 2007-2008 and the position as at to date;
- (b) the number of buses owned by the Corporation;
- (c) the total value of its assets, and

(d) if there is any plan for its privatisation.

Mr Bachoo: Mr Deputy Speaker, Sir, I am informed by the National Transport Corporation that its operation in the financial year 2006-2007 yielded an operational surplus of Rs35.2 m., whereas for the financial year 2007-2008, it suffered from an operational loss of Rs83.4 m. For the period July to December 2008, already the operational loss stood at Rs68 m. This reversal in the financial situation is due to a series of factors, ranging from the high volatility in the price of fuel, the increase in staff costs in the wake of the PRB recommendations and the NRB awards, the increase in the cost of operations and maintenance of an ageing bus fleet, and a bus tariff structure which is not reflective of the principles of full cost recovery.

I wish to point out that the worries of the NTC were being felt for quite some time, and this prompted Government to commission an assessment of the financial situation and review of the organisational structure of the NTC. The consultant, Kemp Chatteris Deloitte, has on Wednesday last submitted its report. The contents thereof are currently being examined. The exercise will culminate in the elaboration of an Action Plan, based on the strategies proposed by the consultant to halt and reverse the situation in which the NTC finds itself today.

I also wish to inform the House that the Management Audit Bureau has been requested to carry out a thorough examination of the schemes, which benefit bus companies and bus operators, to ensure that the NTC social obligations to operate non-commercial routes are duly reckoned with. As an immediate measure, I have caused the NTC to implement forthwith a series of measures to cut down on costs, for example, overtime is being reduced, rigid procurement procedures are being followed, vacancies are filled on a strictly felt need basis, the repair time of buses is being kept to the bare minimum, strict control is being exercised over fare revenue generation and so on.

The NTC owns a fleet of 520 buses which operates along its route networks. It also owns a fleet of 41 yellow buses, which perform dedicated school services. Its assets are worth Rs640.5 m.

Insofar as the question of privatisation of the Corporation is concerned, I would simply reply that this is not at all on the agenda.

Mr Bérenger: Mr Deputy Speaker, Sir, the hon. Minister has given us figures, which show that the situation is very serious, or rather has become very serious at the National Transport Corporation. Did he have the opportunity to read what the Chief Executive has had to say in the press - therefore, addressing the public, including Members of Parliament - where he has said exactly the opposite over the last few days?

Mr Bachoo: Mr Deputy Speaker, Sir, I have made a statement with regard to the situation as it is. In fact, I do agree that the situation is not that good, and I can assure the House that we are taking a series of measures.

Mr Bérenger: May I ask the hon. Minister whether he has the figures for overdraft of the National Transport Corporation, how it has moved these recent months, where it stands now, and whether Government has guaranteed any loans from the National transport Corporation?

Mr Bachoo: No, we have, so far, not guaranteed any loan. In fact, we do have an overdraft. I don't think it's more than Rs40 m., because they have taken an overdraft since five-six years, and it is going on and on. But we have not guaranteed any additional sum.

Mr Gunness: Mr Deputy Speaker, Sir, I heard the Minister say that one of the factors the NTC has put forward is the rise in the price of petroleum product. Can the hon. Minister assure the House whether this rise is not covered by the BCRA, that is, the Bus Company Recovery Account? So, how can this rise in the price of fuel affect the profitability of the company?

Mr Bachoo: Mr Deputy Speaker, Sir, in fact, it is not enough, because in May 2008 when the tariff was increased, the base price was revised from Rs11.44 to Rs25 and, from the tariff increase, the NTC got an additional revenue of R12.5 m. But, at the same time, the NTC had to spend an additional sum of Rs8 m. on the NRB and PRB awards plus an additional sum of approximately R14 m. on petrol. We have been able to recoup Rs12.5 m. from the increase in the tariff. But, still, we have got a big shortfall of about R22 m.

Mr Gunness: Mr Deputy Speaker, Sir, can I know from the hon. Minister whether he has checked with the NTC as to the total amount of debtors and whether there is any political party, which is still owing the NTC?

Mr Bachoo: Mr Deputy Speaker, Sir, I have not checked. But I can assure the hon. Member that we are very strict, and that we are taking a series of measures in order to improve the financial situation of the Corporation.

Mr Ganoo: Mr Deputy Speaker, Sir, concerning the report submitted to the hon. Minister by a consultant, can he confirm whether one of the proposals is to have an increase in bus fare?

Mr Bachoo: Mr Deputy Speaker, Sir, they have not mentioned an increase in bus fare. They have only depicted the picture, the economic situation of the Corporation. Once the report will be submitted to Cabinet, I will hand over a copy to the House.

Mr Gunness: Mr Deputy Speaker, Sir, with regard to part (b) of my question, can I know from the hon. Minister the number of buses owned by the Corporation?

Mr Bachoo: I mentioned that, Mr Deputy Speaker, Sir.

Mr Gunness: Can I know from the hon. Minister the number of buses which are five years old?

Mr Bachoo: Mr Deputy Speaker, Sir, I don't have this information. The hon. Member asked about the number of buses. I have stated that there are 520 buses plus 41 yellow buses.

Dr. Hawoldar: Mr Deputy Speaker, Sir, I would like to ask the hon. Minister whether they receive compensation from the BCRA for the 51 air-conditioned buses and if they don't, why?

Mr Bachoo: Mr Deputy Speaker, Sir, in fact, they don't receive any compensation from BCRA because the CNT has the right to fix the tariff for these buses; it is beyond that limitation. We have requested the NTA to look into the possibility of providing some financial assistance to those buses. Or else, it would become very difficult; the fare will be so high that nobody will travel by those buses.

ATTORNEY-GENERAL'S OFFICE - BUILDING – RENT

(No. B/135) Mr G. Guinness (Third Member for Montagne Blanche & GRSE) asked the Attorney-General whether he will state if, on or about 27 December 2005, his Ministry rented a building situated at Curepipe, from one Mrs D. P. and, if so, indicate –

- (a) the purpose therefore;
- (b) the rental value of the building;
- (c) the amount of rent paid as at to date, and
- (d) the amount of rental due.

Mr Valayden: Mr Deputy Speaker, Sir, the answer is no.

Mr Guinness: Mr Deputy Speaker, Sir, the Attorney-General said that the answer is no. Can I ask him whether he is aware that, on 27 December 2005 - I will lay a copy of the rent agreement on the Table of the Assembly - his former *attaché de presse*, François Ecoignard, c/o Attorney-General Office, 4th floor, NPF building, Port Louis, rented a building from Mrs M. F., stating that the building will be for the then Ministry of Justice?

Mr Valayden: I am not aware of same. I will look into it.

Mr Guinness: Can I know from the Attorney-General whether he knows Mrs D.P. if he ever had any conversation with that lady or whether he received her in his office concerning same?

Mr Valayden: Mr Deputy Speaker, Sir, on a point of personal explanation. I know that person, but it is of a private nature. I am not aware of what has been said by the hon. Member of Parliament, but I have met that person and I know that there is a legal case now going on.

Mr Guinness: Mr Deputy Speaker, Sir, can I know from the Attorney-General whether on 19 December 2008 - we are talking of three months ago - he received the lady in his office and paid a sum of Rs10,000, representing rent in arrear? It's meagre sum!

Mr Valayden: It is a meagre sum, Mr Deputy Speaker, Sir. As the question has been raised, I will be very candid despite the fact that it is personal. Yes, I have met the person, because there were ex-squatters who had nowhere to go. I have helped them. These persons

don't want to go from there, and despite what others have done, I will personally reimburse the person. That's all!

Mr Gunness: Mr Deputy Speaker, Sir, now that the Attorney-General has accepted that he personally put squatters in that building...

Mr Valayden: I did not say that!

The Deputy Speaker: I did not hear that!

Mr Gunness: Mr Deputy Speaker, Sir, at a point in time, the Attorney-General has said that, in his willingness to help these people who did not have houses, he or his *attaché de presse*...

(Interruptions)

I heard him well. He himself said that he put these people in that building. From the date the building was rented, the sum amounts to Rs175,000, and the Minister personally...

Dr. David: Mr Deputy Speaker, Sir, on a point of order. I am referring to section 22(1) of the Standing Orders, where it is stated that –

“(1) a question shall not be asked whether statements in the press or of private individuals(...)”.

The hon. Member is mentioning a private relationship or a private visit. This is out of order, Mr Deputy Speaker, Sir.

The Deputy Speaker: Section 22(1) states that –

“(1) a question shall not be asked whether statements in the press or of private individuals or unofficial bodies are accurate;”

I have not seen anything as such from the hon. Member!

Dr. David: Mr Deputy Speaker, Sir, this is a personal matter, and the hon. Member is asking whether the Attorney-General met X or Y, whether the money was given to X or Y. This has nothing to do as a matter of policy, or concerning his Ministry, Mr Deputy Speaker, Sir.

The Deputy Speaker: If we look at the question, it is mentioned whether the Attorney-General or his Ministry has actually rented...

(Interruptions)

May I be allowed to finish, please?

Dr. David: Yes!

The Deputy Speaker: The Attorney-General said that there was no such contract, but went on to explain how he had to do something. He himself allowed this question. Let us listen to the question the Member has exactly put.

Mr Guinness: Mr Deputy Speaker, Sir, I laid on the Table of the National Assembly a copy of the rent agreement, whereby the former *attaché de presse* of the Minister signed, c/o Attorney-General Office, 4th floor, NPF building, Port Louis.

Mr Valayden: Let me again be clear on that issue, Mr Deputy Speaker, Sir. The question of renting has nothing to do with my Ministry. But, on a point of personal explanation, I did say that I met the person and because these people were ex-squatters, I accepted to pay her. I gave an explanation to the person.

Mr Guinness: The Minister said that he accepted to pay. We can see that the total amount of rent amounts to Rs175,000, and the Minister has paid only Rs47,000 on two or three different occasions.

Dr. David: On a point of order, Mr Deputy Speaker, Sir. We need guidance from the Chair. The Minister has answered 'no' to the first question and, still, the hon. Member is referring to personal relationship, to money or to private visits.

The Deputy Speaker: The hon. Minister has referred to Standing Order 22 (1). I read it very clearly for everyone.

“(1) a question shall not be asked whether statements in the press or of private individuals or unofficial bodies are accurate;”

This question does not actually put into issue any accuracy of a statement by a private individual. I have nothing here under Standing Order 22(1) which prevents this Member from putting a question.

Mr X. L. Duval: Mr Deputy Speaker, Sir, if I may. We all know that a person may only be questioned upon his ministerial responsibility, and nothing else. This matter does not fall under his ministerial responsibility. Whatever the Standing Order 22(1) says, you know, as well as we do, Mr Deputy Speaker, Sir, that a Member should only answer a matter pertaining to his ministerial responsibility and nothing else.

The Deputy Speaker: That is why I referred specifically to the point of order raised by hon. Dr. David, that is, 22(1). If there are objections on 22(1), I cannot sustain. But, if it is a general point like this one, that is, the question of the Member is actually regarding something other than the ministerial responsibility of the hon. Minister, then it cannot be allowed.

(Interruptions)

That was the objection which was raised.

Mr Guinness: Mr Deputy Speaker, Sir, I am coming with the ministerial responsibility itself.

(Interruptions)

Because the question itself...

The Deputy Speaker: Hon. Guinness! Please address the Chair!

Mr Guinness: I was asking the Minister about the balance of rent which is to be paid.

(Interruptions)

The Deputy Speaker: I am still waiting for this contract which has been circulated!

(Interruptions)

I have just been given this document. There is no contract with the Ministry here. So, surely...

(Interruptions)

I looked at this document. The hon. Minister has stated that there is no contract between his Ministry and the person. He has also said that he has paid from his private money. From then on, unless the hon. Member has a specific question on his ministerial responsibility, I cannot allow...

(Interruptions)

Mr Bérenger: Mr Deputy Speaker, Sir, can the Attorney-General tell us whether his press attaché entered into this rent agreement on his behalf and in his knowledge?

Mr Valayden: It's a personal matter. I won't answer that.

(Interruptions)

The Deputy Speaker: Next question! Please. Next question!

(Interruptions)

Hon. Guinness, please! Hon. Dr. David, please!

(Interruptions)

AIR MAURITIUS LTD. - NATIONAL PENSION FUND – LOAN

(No. B/136) **Mr G. Gunness (Third Member for Montagne Blanche & GRSE)** asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether he will, for the benefit of the House, obtain from the National Pensions Fund, information as to if Air Mauritius Ltd. is seeking a loan from the Fund and, if so, indicate –

- (a) the amount of money earmarked by the Fund for this purpose, and
- (b) the conditions attached thereto.

The Vice-Prime Minister, Minister of Finance & Economic Empowerment (Dr. R. Sithanen): Mr Deputy Speaker, Sir, I am informed that in early March, that is, last month, Air Mauritius Ltd made a request for a loan of euro 35 m., amounting to around Rs1.4 billion. to the National Pensions Fund. The request was approved by the NPF/NSF Investment Committee and the total amount of euro 35 m. was earmarked by the Fund for that purpose. The Fund also agreed with Air Mauritius that the disbursements would be made in US dollar in the amount of 11 m. and the balance in Mauritian rupees. The US dollar component of the loan has already been disbursed.

The loan is repayable within a period of six months and is guaranteed by Government. The other terms and conditions of the said loan are being tabled. The Fund has also received another request from Air Mauritius for a stand-by facility of euro 40 m. which is being examined by the Investment Committee. The Stand-by committee facility will cater for unforeseen circumstances in case of rapid deterioration of various economic parameters.

Mr Bérenger: Can we know from the hon. Minister whether the previous loan has been guaranteed by Government and whether the standby facility also is being guaranteed by the Government?

Dr. Sithanen: The first one is guaranteed by the Government; the second one is being processed.

Sir, I don't know what conditions the Investment Committee will place on Air Mauritius.

CAMP LEVIEUX - NHDC ESTATE APARTMENTS – WATER LEAKAGE

(No. B/137) **Mr J. Cuttaree (Second Member for Stanley & Rose Hill)** asked the Minister of Housing and Lands whether he is aware of the problem of water leakage 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 that will be taken.

The Minister of Public Infrastructure, Land Transport and Shipping (Mr A. Bachoo): Mr Deputy Speaker, Sir, with your permission, I would like to answer this question. Sir, I am informed that representations have been made by residents of the NHDC Estate at Camp Levieux regarding water leakage problem. It is normally the responsibility of the Syndic of any housing estate where “*règlement de copropriété*” is applicable to ensure, *inter alia*, the maintenance of the apartments. It is a well-known fact and very unfortunate that syndics are non-functional in most of the social housing estates.

Mr Deputy Speaker, Sir, I am also informed that similar problems have been reported to the NHDC by residents of other NHDC housing estates. It would therefore not be appropriate to undertake rehabilitation works on a piecemeal basis on one housing estate only. However, as a caring Government, a full report, including the cost estimates has been requested on rehabilitation works required at all NHDC housing estates. This report is expected within a month’s time.

Mr Cuttaree: Mr Deputy Speaker, Sir, can I ask the hon. Minister whether the NHDC did not submit a project to the Ministry one year ago? The hon. Minister said that a report is being asked for implementation.

Mr Bachoo: I am sorry, Mr Deputy Speaker, Sir, I do not have the information with me. I will request the hon. Member to take it up with the substantive Minister.

Mr Cuttaree: Do I take it from the Minister that the principle of undertaking these works all over the island is acceptable to Government in view of the fact that it is a very simple thing? These types of works cannot be done by a syndic. You can have sometimes the poorest people living in these areas; and even if the syndic was actually operating, they won’t have the means to do that. In fact, when we were in Government, we did it ourselves. So, can I ask the hon. Minister whether - for example, we have got a project here: upgrading public infrastructure in Education, Health, Environment and Sports under the Additional Stimulus Package - this project, he is talking about, cannot be financed from this item?

(Interruptions)

The Minister of Finance is saying he is fully committed, but he is talking about giving Rs1 billion more to the private sector, he could find some money to give to these people.

(Interruptions)

I am not being demagogical, Mr Deputy Speaker. The hon. Vice-Prime Minister is asking me not to do demagogy. If you go to this place, you will see that people are living in water; they are on the risk of getting electrocuted in that place. He is giving Rs10 billion to the private sector and he is saying that I am making demagogy by asking some money to be given to these people.

(Interruptions)

Mr Bachoo: Mr Deputy Speaker, in the answer which I have provided...

(Interruptions)

The Deputy Speaker: There is a point of order, hon. Minister.

Mr Dullo: On a point of order, Mr Deputy Speaker, more particularly under Standing Order 40. This is the second time today that the hon. Minister of Finance has been using the word demagoguery towards an hon. Member of this House. Mr Deputy Speaker, Sir, a demagogue means a political agitator appealing to the basest instincts of a mob...

(Interruptions)

This is most unbecoming and unparliamentary. This also offends against Standing Order 40(3) – imputing improper motives to a Member of this House standing on behalf of his constituents to represent them here.

The Deputy Speaker: I take good note of the point of order raised by the hon. Member. I would simply like to draw his attention that Standing Order 40 actually consists of contents of speeches.

I would like therefore each and every Member to remember that, even in a sitting position, we should however make sure that we refrain from using unbecoming words. I think it would be much proper for the orderly conduct of affairs of this House. I rely on your collaboration.

Mr Bérenger: Can I say differently the same thing? Indeed these people are among the poorest people; they are living in terrible conditions; water is pouring down the walls; there is water on the floor. They cannot even sleep in their beds and there is the danger of electrocution. When we were in Government, Government put money where its mouth was and Government came with money to correct the defects in those NHDC buildings. Now if that item is fully committed, surely Government can find the money somewhere. Can I appeal to the hon. Minister that he takes it up with his colleague - this is urgent - before human life is lost? They are really living in hell.

Mr Bachoo: Mr Deputy Speaker, from the answer which I have given, it is clear that we are awaiting an estimate to be carried out for all the other regions. Most probably my colleague is looking into the possibility of providing some support to these people. This is how the answer has been framed.

The Deputy Speaker: Thank you hon. Minister. The Table has been advised that PQ Nos B/141, B/151, B/155, B/165, B/166, B/167 and B/168 have been withdrawn. Time is over!

MOTION

SUSPENSION OF S.O. 10(2)

The Vice-Prime Minister, Minister of Tourism, Leisure & External Communications (Mr X. L. Duval): Mr Deputy Speaker, 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.

The Vice-Prime Minister, Minister of Finance and Economic Empowerment rose and seconded.

Question put and agreed to.

At 4.18 p.m. the sitting was suspended.

On resuming at 4.52 p.m with Mr Speaker in the Chair

PUBLIC BILL

Second Reading

THE ADDITIONAL STIMULUS PACKAGE (MISCELLANEOUS PROVISIONS) BILL

(No. 1 of 2009)

Order for Second Reading read.

The Vice-Prime Minister, Minister of Finance & Economic Empowerment (Dr. R. Sithanen): Mr Speaker, Sir, I move that the Additional Stimulus Package (Miscellaneous Provisions) Bill (No. 1 of 2009) be read a second time.

Introduction

Mr Speaker, Sir, on 20 December 2008, the Prime Minister and I jointly presented the 'Additional Stimulus Package : shoring up Economic Performance' at a press conference. The twin objectives of the ASP are –

- (1) To mitigate the adverse consequences of the global economic recession on our country;
- (2) To position Mauritius to ride the crest of the world economic recovery when it happens.

Mr Speaker, Sir, some of the measures contained in the Additional Stimulus Package (ASP) document do not require amendments to legislation. For instance, regulations have already been made to provide for –

- (a) reduction of 50 percent of the duty payable on iron bars imported in coils by contractors;
- (b) the suspension of *Maurice Ile Durable* Levy payable by airlines in respect of the period 01 January 2009 to 31 December 2010;
- (c) the payment by tour operators of proportionate duty (instead of full duty) upon disposal of duty free cars and vehicles within 4 years of the date of purchase;
- (d) the removal of the requirement that land should have been purchased 5 years in advance before being used for development under RES, and
- (e) the exemption of duty on registration of a loan agreement by an individual for educational purposes to encourage the building of knowledge and human capital.

The Additional Stimulus Package (Miscellaneous Provisions) Bill therefore provides mainly for the implementation of the remaining measures requiring legislative amendments. The Bill also provides for the extension of programme-based budgeting to municipal and district councils, Rodrigues and to certain statutory bodies and for a few miscellaneous amendments.

Mr Speaker, Sir, in late 2006 prices started declining in the US real estate market. This has been the beginning of the now infamous subprime crisis which has led to a collapse of the world financial system, with banks world-wide having to write down more than 600 billion dollars in assets, mostly toxic ones.

As early as March 2007, the biggest financial corporations started reeling to the brink of collapse because of extensive investments in mortgage backed securities. Since then, the world financial system has been in deep turmoil, causing a severe liquidity crunch globally that has in turn trapped the real economy in the worst recession in sixty years. World trade is witnessing an unprecedented decline since the Second World War.

Ahead of the curve

Last year, we saw the early signs of that economic downturn. To be candid, Mr Speaker, Sir, at that time nobody knew the depth, the scope and the duration of the global recession. Even today, most of us do not know the exact depth, scope and duration of the recession. But the House will recall that in last year's Budget Speech in June, at paragraph 36, we mentioned and I quote –

“...Now, we face the prospects of the US sliding into a recession, uncertain about its duration and depth and its knock-on effects on Europe and other countries”

At paragraph 37 of the same Budget, we said very clearly, again I quote, Mr Speaker, Sir

–
 “Our reforms have made Mauritius resilient. But we are not immune. We are already feeling some of the anxieties that grip the world. We must have an effective handle on developments, globally and regionally.”

At paragraph 65, when analysing the sector, I quote –

“the tourism sector will need to weather the storm of weakening economic growth in Europe to maintain its growth. We are therefore increasing the budget of the MTPA to Rs340 m. in 2008/09’

Unfortunately, Mr Speaker, Sir, our fears have been realised. And we have indeed maintained an effective handle on the global economic events.

We have been ahead of the curve in terms of stimulating the economy. The chronology of our responses to the threats of a global recession goes back to May 2008, that is, 5 months before the G-20 first met in Washington and the World Bank called for temporary, targeted, timely and concerted Keynesian policy actions to stimulate global demand. While other countries waited to be officially in a recession to announce a stimulus package, we anticipated as far back as May 2008 the difficult global economic situation.

In fact, in May 2008, Mr Speaker, Sir, we set up six funds from the greater fiscal space created by successful reforms. These six funds were meant for public investments in national endeavours that are crucial to our development while at the same time stimulating demand in the economy.

Built resilience

In the same vein, when the rest of the world was still taking countercyclical measures to restrain demand and combat inflationary pressures, we had a procyclical budget in June 2008 to further stimulate demand and we created contingencies of Rs1.8 billion. I would like to emphasise, Mr Speaker, Sir, that we implemented pro-cyclical policies at a time when the economy was on a boom like path. GDP growth was then expected to be, according to the IMF, higher than 6 percent for 2008. But we knew then that there were downside risks. Hence, our early actions.

Nonetheless, Mr Speaker, Sir, 2008 has exemplified the resilience that we have been able to build in our economy, with a growth rate of 5.3 % when other economies were sliding into recessions and some countries even collapsing. All the sectors of the economy have expanded. At a time when entrepreneurs worldwide were postponing investment decisions, we received record high level of FDI - Rs11.4 billion. Mr Speaker, Sir, we have received more FDI in one year than in 5 years preceding 2005. Private investments also kept on rising in 2008.

However, Mr Speaker, Sir, the most remarkable achievement of this Government is on the employment front. The economy created in 2008 net employment of 19,400 more than the number of jobs created in the four-year period from 2002 to 2005. The unemployment rate went down for three consecutive years to 7.2% and total unemployment in the economy has been cut by around 25% since 2005. Mr Speaker, Sir, we were able to create greater fiscal space while at the same time we kept government deficit and debt on a declining path. All these are clear

examples of how resilient the economy was in 2008 and how successful the reforms have been and how effective the new development paradigm has turned out to be.

Making right policy choices

But, Mr Speaker, Sir, in the midst of this high performance we remained sober for we knew the future is fraught with risks and uncertainties. We had policy choices to make. We could have chosen the path of even lower government deficit and ignored the risks. But we did not. Instead, we decided to put more policy weight on firming up the economy's resilience to external shocks in particular to the ripple effects of the global recession.

Our fears becoming reality

And indeed, Mr Speaker, Sir, a global economic outlook took a turn for the worst in September 2008 when the Lehman Brothers investment bank declared a 600-billion - dollar bankruptcy. This triggered a new series of events that accentuated the damaging impact of the financial tsunami on the real economy. There was also the realisation that there was no decoupling of emerging economies, in particular the BRIC countries, Brazil, Russia, India and China from the US economy. Instead there was synchronised downturn of all major economies around the world. From industrialised to emerging countries and from developing economies to poor nations, all are being affected by the worst global economic recession since the great depression of the 30's.

Call for concerted actions

Hence the call from G-20 and the World Bank for timely, targeted, temporary and concerted actions to stimulate the global economy. This call followed the US bail-out of AIG insurance giant for 85 billion dollars in September. In October 2008, the largest government intervention in capital markets in US history cleared the US House of Representatives, becoming law with the signature by former President Bush. Japan announced a 26.9-trillion-yen (approximately 276.33-billion- dollar) stimulus package and in November, China announced a 588-billion-dollar economic stimulus package. At the same time, Central banks around the world were slashing interest rates (some interest rates are today close to zero). Some countries are even resorting to quantitative easing, i.e., printing money and allowing banks to create money out of thin air. While central banks have been cutting interest rates, governments around the world have been pumping money into their economies in a bid to haul them out of the world economy's biggest crisis since the 1930's.

The Additional Stimulus Package

Mauritius could not ignore the threats of the global recession reaching our shores, nor, Mr Speaker, Sir, could we not follow the international call for concerted actions, notwithstanding that we have been ahead of the curve. Therefore, in October, we kicked off a stimulus package, starting with coordinating very closely with the Bank of Mauritius on monetary policy, ensuring that price decreases are passed on to consumers and starting close consultations with key stakeholders on how to shore up economic performance to face the crisis.

In line with the G-20s call, we have presented in December 2008 an Additional Stimulus Package that is targeted on saving jobs and enterprises to shore up economic performance in Mauritius, including Rodrigues. It is flexible enough to allow for adjustments as we implement it and to adapt to the fast evolving economic outlook. And it is temporary as it will be implemented over a corridor of two years ending 31 December 2010.

Mr Speaker, Sir, the primary objectives of the package are to save jobs and protect workers by supporting vulnerable businesses to continue operations during the transition. It is unfortunate that in some quarters they are trying to make people believe that the entire Rs10.4 billion of the package is being used to support enterprises and that it is the owners of the enterprises that will benefit. Nothing, Mr Speaker, Sir, is furthest from the truth. In fact, the bulk of the money will be spent on public infrastructure, on training and retraining of retrenched workers through the National Empowerment Foundation, on local infrastructure where some Rs500 m. have already been committed for various projects across the country, and on several tax measures to support industries. Our prime reason to save enterprises is not to bail out the enterprise itself, but to support it through the transition on the condition that laying off workers is the very last resort. We spelled it out very clearly in the ASP document, I quote, Mr Speaker, Sir

—

“There must be an equal commitment by the enterprises to restructure, to become more efficient, to maintain employment, to bring down costs and pass on some of the efficiency gains arising from Government stimulus package and policies to the population.”

Moreover, the ASP contains a social contract with the private sector to ensure that employment protection is given the highest priority whenever firms restructure to meet the crisis. Mr Speaker, Sir, all we need is to look at figures world-wide to understand that the global recession is having a much bigger than expected negative impact on jobs. We have to be careful. For example, US employers have cut more than five million jobs since the start of the recession, sending the unemployment rate at 8.5 per cent. And there was bad news even for people in work, since the monthly jobs data showed that employers have been cutting the number of hours available, further adding to the pressure on household budgets. In March 2009 alone, the US lost 663,000 jobs. The unemployment rate in the US is now the highest since 1983 - 26 years back. With companies cutting back in response to depressed demand conditions, even the length of the working week has fallen in the US to 33 hours only in March, the lowest on record. According to the ILO, the crisis would wipe out more than 30 million jobs worldwide by the end of this year. China has already lost some 20 million jobs. India has lost 10 million jobs and continues to trim its workforce by millions. Some countries like Holland are directly paying for the wages/salaries of private firms. In Singapore - a remarkably achievement - wages are linked to productivity, substantial wage cuts have been announced to save jobs and protect people. California, one of the richest States in America, is resorting to drastic labor policies, including shorter work week, encouraging workers to take leave without pay and shifting to more part time employment.

Mr Speaker, sir, against this backcloth, we are doing better than countries with stronger economies Iceland has collapsed and Ireland and Singapore have drifted quickly into recession.

In addition many countries are beginning to face a job market crisis – something we have not experienced yet. But we are not immune from such impact. That is why we have a social contract in the ASP focusing on protecting jobs. And this social contract goes beyond the Mechanism for Transitional Support for we are also closely monitoring the employment situation in enterprises that do not need support under our package.

But, Mr Speaker, Sir, to save jobs we have to protect investment. We need to protect markets and we need to encourage production. The ASP does that through a series of measures to support Tourism, Textiles/Clothing, Sugar, Construction, Financial Services, Freeport, Seafood and ICT. The ASP also deals with bottlenecks to boost private investment and where possible accelerate projects; and prepares the country for a quick bounce back once the world economy recovers. Mr Speaker, Sir, it is about investment, growth and jobs.

The Rs10.4 billion Additional Stimulus Package, equivalent to about 3.8 per cent of GDP covers all these actions and 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 1½ percent growth annually over the 24-month period January 2009 through December 2010.

Progress on the ASP

Mr Speaker, Sir, the ASP is now in its fourth month and there are some encouraging signs that it is progressing well. Let me list a few for the benefit of Members of the House –

- (i) 1700 jobs saved at World Knits due to our direct interventions under the Mechanism for Transitional Support. And, Mr Speaker, Sir, as all of us know in this House, for every job we save there are other indirect jobs that are also saved for which we do not have an estimate;
- (ii) Many other jobs have been saved as a result of the suspension of many taxes;
- (iii) Rs144.5 m. have been committed to 26 SMEs by Enterprise Mauritius, with 3 projects already completed - this is part of our strategy to front-load and accelerate existing of projects.
- (iv) Six project financing schemes have been launched for which 351 applications have been received by the closing date of 25th 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.
- (v) Rs122.5 m. have been committed by SEHDA 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.

- (vi) 5 projects with a total project value of Rs15.9 m. are being appraised for small and medium size enterprises in the tourist sector.
- (vii) An additional Rs97 m. to market Mauritius as a Tourist destination are already being implemented with a focus on consolidating the short haul market. My colleague has been to France, Middle East and South Africa and we are also developing new markets in the Middle East.
- (viii) The Additional Stimulus Package is also about removing impediments to unlock private investment. Six projects approvals have been completed under the RES scheme with another 3 in the pipeline.

Mr Speaker, Sir, these are but a few examples to illustrate that the ASP is picking up cruising speed and that it is not only about giving money to enterprises in difficulties. It is about saving existing jobs and creating new ones.

Taking all the interventions together, so far some Rs3 billion have been committed and around Rs400 m. at least have been injected into the economy.

I should here point out that the emphasis is on helping enterprises that are in difficulty because of the crisis. The ASP is not channelling public resources into companies that have structural problems but those that have transitional problems due to the crisis. Thus the Mechanism for Transitional Support under the Mauritius Approach relies on Bankers and shareholders/managers to come up with a plan in which they finance half of the additional requirement with Government covering the other half to protect jobs. Government investment in these companies will be through the purchase of debentures carrying a fixed return. Thus government is not giving away money - it is investing - investing with a specific purpose, that of saving jobs, of helping to save markets and economic activities. The net benefits of these investments should be seen not only in terms of the fixed return on the debentures, but most importantly in terms of the social returns by saving jobs and by saving the economy.

To safeguard these returns in financial and social terms, the investments in debentures will be made under certain conditions –

- (i) A commitment to preserve employment.
- (ii) A viable business plan to make the transition.
- (iii) Burden-sharing between commercial banks, the shareholders and Government.
- (iv) No dividend payment until all preference shares held by Government are paid.
- (v) Government may appoint a representative to the Board where it deems this helpful.
- (vii) An obligation for regular reporting to a Committee.

This, Mr Speaker, Sir, is well calculated investments to save jobs, to protect people and the economy.

Specific provisions of the Bill

Mr Speaker Sir, I will now elaborate on specific provisions of the Bill which will show the depth and scope of the Additional Stimulus Package, for the provisions are to enable government to implement measures to encourage construction, residential as well as industrial, to improve efficiency and therefore global competitiveness, to protect and support SMEs in industries and in tourism, to boost private investment in particular FDI, and to facilitate investment so that we can meet the overarching objective of saving employment and creating jobs.

First, I will elaborate on the provisions relating to measures to support our industries, in particular for construction, tourism, IRS and RES and the Freeport.

Construction

Mr Speaker, Sir, to accelerate the early implementation of construction projects, other than projects under the Real Estate Development Scheme (IRS and RES), exemption of land transfer tax and registration duty has been provided in respect of the purchase of land to be used for construction projects during the period 01 January 2009 to 31 December 2010 and for the sale of such land together with buildings thereon during period 01 January 2009 to 30 June 2011, on the conditions that –

- (a) The promoter is a company;
- (b) The company is registered with the Mauritius Revenue Authority during period 01 January 2009 to 31 December 2010;
- (c) The construction of the building has started on or after 01 January 2009;
- (d) The construction costs of the building, whether for own use, for renting or for sale, under a project exceed 50 m. rupees by 30 June 2010 and the deed preferences to local workers.
- (e) The deed of sale or transfer of the immoveable property following its construction is presented to the Registrar-General on or before 30 June 2011, (including transfers by way of *vente à terme* and *vente en l'état futur d'achèvement* under the Code Civil Mauricien).

MRA will monitor the costs of the construction of the building and will notify the Registrar-General as to whether or not the condition has been satisfied. If the condition is not met, the Registrar-General will claim back both the exemption of land transfer tax and registration duty from the promoter, together with a penalty equal to 20% of the amount of tax and duty exempted. Further, any land transfer tax paid by a land developer is now regarded as an allowable deduction for income tax purposes with effect from 01 January 2009. The measures are contained, Mr Speaker, Sir, in clauses 8 and 11(b) which amend the Income Tax Act and Land (Duties and Taxes) Act respectively.

Mr Speaker, Sir, in the ASP, infrastructure has a central role to play to boost employment creation while investing in the modernisation of our country to support development. In this context, under the ASP, preparatory works have been initiated for three new road projects worth

more than Rs1 billion. These projects include the construction of a second carriageway from Pamplemousses to Grand Baie Road A13, the Triolet bypass, and the Goodlands bypass. Construction works are expected to be completed by end March 2010.

An additional Rs500 m. have been provided to upgrade and rehabilitate infrastructure facilities in the education, health, environment and sports sectors. Additional funding of Rs500 m. has been provided under the ASP to support infrastructure development in local authorities and Rodrigues.

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 also benefit from the campaigns of theMTPA. 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.

In addition, Mr Speaker, Sir, a strategic plan for food security includes Rs187 m. for developing an additional 700 *arpents* of uncultivated/abandoned lands in Rodrigues for food security.

Mr Speaker, Sir, a purchaser of an immovable property under IRS or RES is allowed as from 01 January 2009 to pay the purchase price and the duty and tax on the property in any hard convertible foreign currency. This is provided for at clauses 11(a) and 19(b)).

Further, the registration duty payable on any deed of transfer presented for registration between 01 January 2009 and 31 December 2010 for the acquisition of an IRS residence will be USD70,000 instead of 5% of the value of the property or USD 70,000, whichever is the higher (Clause 19(a)).

The income tax exemption under the transitional provisions granted to a private freeport developer or freeport operator is being extended by a further period of 2 years, up to 30 June 2011. This is at Clause 8(b)(i)) in order to boost the Freeport Sector.

Manufacturing and Export sector

Mr Speaker, Sir, the ASP has a well-thought out series of measures to support the textile industry. We all know, Mr Speaker, Sir, besides tourism, the textile sector is probably one of the most vulnerable sectors to the global crisis.

Let me list some of these measures in support of the textile sector –

First, the setting up of a representation unit to provide marketing back-up and marketing intelligence to support companies in the US market to take full advantage of AGOA including the derogation under AGOA for textile and apparel firms.

Second, freezing the plan to lower import duty to make of Mauritius a duty-free island Government in 2009 and 2010. However, this suspension will not apply to inputs needed by the productive sector such as construction.

Third, a foreign currency line of credit for banks at the BOM to enable them to cope with demand in case the normal sources of supply dry up. In fact, Mr Speaker, Sir, let me inform the House the normal sources of supply is drying.

Fourth, accelerating the implementation of the Manufacturing Adjustment and SME Development Fund. Rs400 m. have already been committed out of Rs500 m. towards the widest possible range of support benefiting some 51 projects, mainly SMEs including women entrepreneurs. These include, Mr Speaker, Sir –

- ◆ Upgrading of Standards, Quality and Packaging for export readiness
- ◆ Productivity and Competitiveness Improvement
- ◆ Market Intelligence and Export Promotion
- ◆ Equipment Modernisation Scheme
- ◆ Market Development and Marketing
- ◆ Market Diversification
- ◆ Product Development

Fifth, using the remaining Rs100 m. to provide direct support to SMEs that require assistance with liquidity or to restructure. Enterprise Mauritius is assisting SMEs to develop a plan that can qualify for financing to meet the challenges arising from the crisis. In fact, Mr Speaker, Sir, we will use the fund over a shorter period of time than initially planned for.

Sixth, Government will help firms on three main fronts –

- ◆ to reengineer to become more competitive and to ensure their long term survival;
- ◆ to improve access to financing, in particular working capital, at concessionary interest rates, and
- ◆ to restructure their debt.

Seventh, the mandate of the Manufacturing Adjustment and SME Development has been broadened to include support for the export of services. Government has raised its contribution to Rs1 billion by injecting an additional Rs500 m.. In all there is at least Rs1 billion of new financial resources to support the manufacturing sector and tourism. These facilities will be made available on a temporary and targeted basis for the period 01 January 2009 to 31 December 2010.

Eighth, this fresh financing will be used to implement the Mechanism for Transitional Support to the Manufacturing Sector including textiles, on which I have just elaborated.

Ninth, for asset-rich but cash-poor enterprises in the manufacturing and tourism sectors, Government is creating a Special Purpose Vehicle to acquire and hold assets in those enterprises.

This sale and lease back mechanism will enable them to make use of their assets to raise finance. These enterprises will be given the opportunity to buy back their assets in the future. Rs500 m. have been earmarked for this purpose.

Tenth, the ASP contains a social contract to save jobs, whether the enterprise benefits from government support or not.

Eleventh, the Bank of Mauritius has lowered its required reserve ratio to release more liquidity in the system.

Twelfth, there has been a greater coordination between the Ministry and the Bank of Mauritius, and since October 2008, the key repo rate has been reduced by a cumulative 250 basis points. This, Mr Speaker, Sir, is crucial to lowering costs of borrowing and improve competitiveness of firms in the manufacturing sector and tourism.

Thirteenth, there has been a more favourable adjustment of the foreign exchange rate with a relatively stable forex market. We know how crucial and important this is for the export sector, for tourism and for EPZ.

Tourism

Tourism is a sector that is vulnerable to the global economic recession. The airlines, the hotels and tour operators are being affected. There are also secondary adverse effects with potential loss on downstream employment. Our concern is not only about lower tourist arrivals and falling income but, most importantly, about protecting jobs. We will support enterprises in the tourism sector that are facing difficulties provided employment is protected. We are providing the following additional measures to support the tourism sector -

- a. Clause 4 amends the Environment Protection Act to provide for the payment of the environment protection fee, in respect of the period 01 January 2009 to 31 December 2010, by a hotel, guest house or tourist residence within 04 months after the end of its accounting period, instead of monthly as it is at present. This provides considerable relief in terms of cash flow.
- b. The basis for the payment of the fee during that period will not be on turnover but on profit, provided that the profit exceeds 5 percent of turnover for the accounting period. The profit will be computed before tax, but after deduction of the fee and the temporary solidarity levy.
- c. The Value Added Tax Act is being amended to suspend the Solidarity Levy payable by a hotel, hotel management or tour operator in respect of the period from 01 January 2009 to 30 June 2010, that is, up to the date the levy ceases.

- d. Guest houses and tourist residences of 4 bedrooms or less will not be subject to the environment protection fee as from the period starting 01 May 2009. This is at clause 4(c), Mr Speaker, Sir.
- e. We have increased the promotion budget of the MTPA by Rs 100m to improve our visibility in existing markets and to penetrate new and emerging markets, and
- f. We are also working together on a training programme with the Tourism sector, AHRIM and the Empowerment Foundation to avoid lay offs in particular among the 70 % of employees of hotels that are below the managerial ranks. Together, Mr Speaker, Sir, there are 6 additional measures to support the Tourism sector.

Business Facilitation

Morcellement

The third area which requires significant changes in the legal framework is Business Facilitation. The objective of these new provisions is to accelerate investment by removing administrative bottlenecks and by creating a more conducive business environment.

First, under the *Morcellement Act*, a letter of intent in respect of schemes under the Sugar Industry Efficiency Act is issued after six weeks from the effective date of receipt of an application for a *morcellement* permit. The Silent Agreement Principle is applicable to those schemes, whereby a member of the *Morcellement Board* is deemed to have no objection if he does not take a stand within 4 weeks of the effective date of receipt of an application. Those provisions are being extended to other applications for *morcellement* permit.

Second, better provisions have been made for the monitoring of infrastructural works and for the issue of an enforcement notice to remedy any breach of the letter of intent. Where the *Morcellement Board* is satisfied that the works have been properly carried out, it shall so report to the Minister who will then issue a *morcellement* permit within 3 weeks of the date of notification by the developer of the completion of the works.

Third, where a proposed *morcellement* is for the purpose of a large investment project deemed by the Minister to be in the economic interest of Mauritius, and approved as such by Cabinet, the period of 3 years, as provided in the Act, to complete the infrastructural works may be extended to such period as may be determined by the Minister and approved by the Council of Ministers.

Outline Planning Permission

Fourth, clause 24 amends the Town and Country Planning Act to make provisions for the issue of an Outline Planning Permission by a local authority. The purpose is to find out, at an early stage, whether or not a proposal in respect of a project is likely to be approved by the local authority, irrespective of whether a Building and Land Use Permit is to be granted or not and before any substantial costs are incurred.

Land Conversion

Fifth, at present, the system of land conversion does not allow for relocation of projects on different sites than initially approved. Henceforth, applications for relocation of new projects will be entertained. The process will remain the same but the application will be subject to a non-refundable processing fee as may be prescribed.

Sixth, the time limit for the Land Conversion Committee to make its recommendations to the Minister is reduced from 3 months to 6 weeks.

Seventh, the concept of silent agreement, whereby a member of the Committee is deemed to have no objection if he does not take a stand within 04 weeks of the effective date of receipt of an application, is being introduced.

Eight, where a land conversion is for the purpose of a large investment project deemed by the Minister to be in the economic interest of Mauritius, and approved as such by Cabinet, the period of 5 years to carry out the conversion as provided in the Act, will not apply.

Ninth, the land valuation for conversion purposes is being simplified, by taking the expenditure in connection with a factory closure and VRS or ERS and dividing it by an amount of Rs3.5 m. to arrive at the acreage of land to be converted. The amount of Rs3.5 m. represents an average net realizable value per hectare of land. At present, the valuation is being made on a case to case basis by the valuation department which is administratively cumbersome, time consuming and therefore not investor-friendly.

Public Procurement

Tenth, clause 18 amends the Public Procurement Act to enable a bidding document to provide for an advantage or preference to a bidder and this by way of regulations. Provisions have also been made –

- (a) To reinforce the powers of the Policy Office;
- (b) In the case of negotiations in respect of a major contract, for the Central Procurement Board to initiate and oversee the negotiation, and
- (c) To fine tune a few provisions of the Act.

Eleventh, an improved mechanism has been set up to streamline the procurement process and reduce the implementation time of major projects. These include, among others, raising the limit for projects requiring pre-qualification from Rs200m. to Rs400 m. and making increased use of design and build method for infrastructure projects. The new operation theatre at Victoria Hospital and other local infrastructure projects are to be implemented using the Design and Build procurement method.

Registration of persons in business

Twelfth, every person in business is required to be registered under the Business Registration Act (BRA). Such person may also be required to be registered under various other enactments. The data which a person has to provide for business registration are practically the same as those required for registration under other enactments. Effort is accordingly being made to avoid office hopping for registration purposes. Instead, the data of a person under the BRA have been made available online to Ministries or organisations concerned. Data will move, Mr Speaker, Sir, and not people. In this context, provisions have been made that where a person is registered under the BRA and –

- (a) qualifies as Manager of a designated establishment under the Environment Protection Act for the purposes of environment protection fee;
- (b) qualifies as an employer for the purposes of PAYE under the Income Tax Act;
- (c) qualifies as an employer for the purposes of NPF, NSF and Training Levy (formerly IVTB levy), or
- (d) declares that he wishes to be registered with SEHDA,

the registration under the BRA is deemed to be a registration for the purposes of paragraph (a), (b), (c) or (d) above. Clauses 4(a) and 21 provide for the changes referred to in paragraphs (a) and (d). As regards paragraphs (b) and (c), the changes will be made by way of subsequent regulations.

Residence Permit for purchaser of property under RES

Thirteenth, clause 7 amends the Immigration Act with effect from 01 January 2009 to enable a non-citizen to obtain a residence permit on purchase of an immovable property under the Real Estate Scheme (RES) for a price which is not less than 500,000 US dollars or its equivalent in any other hard convertible foreign currency, as in the case of a purchaser under IRS.

Period of stay of tourist and businessman

Fourteenth, the provision for the admission of a tourist or businessman for a period of 60 days (section 7(1A) of the Immigration Act) is being repealed as the period of stay may be decided administratively and may be up to 90 days.

Data Protection

Fifteenth, clause 2 amends the Data Protection Act to provide for –

- (a) the consolidation of the independence of the Data Protection Commissioner in the discharge of his functions and the exercise of his powers;
- (b) the production of a warrant before the entry into or search of any premises;
- (c) the registration of persons, other than employees of a data controller, who process personal data on behalf of a data controller, and for related matters, and
- (d) certain other minor amendments.

Clauses 9 and 16 amend the Information and Communication Technologies Act and the National Computer Board Act, following the amendments made to the Data Protection Act.

Sixteenth, for the ICT sector, under the ASP, there has been a reduction of the wholesale bilateral half-circuit tariffs for International Private Leased Circuit (IPLC) of the order of 35%. This is primarily intended for the Information Technology Enabled Services (ITES) sector which includes the BPO and Call Centre operations. It will reduce the cost of operation of companies operating in the ITES to enhance their competitiveness.

Calendar Year and Programme-Based Budgeting (PBB)

I will now elaborate on the provisions for the calendar year budgeting and PBB. The local authorities, Rodrigues and statutory bodies having their accounting period ending 30 June will adopt the same accounting period as in Ministries/ Departments, i.e. calendar year as from 2010 and a budget for the period of 6 months ending 31 December 2009, except that in the case of the statutory bodies referred to above, the budget will be for a period of 18 months from 1 July 2009 to 31 December 2010.

The annual general rate leviable by the municipalities and the annual fees payable in respect of classified trades to municipalities and district councils will be payable on a calendar year basis as from 1 January 2010. For the period 01 July 2009 to 31 December 2009, the general rate and the fees will be payable for the period of 6 months, not later than 15 July 2009.

Better provisions have been made to reinforce financial management including performance accountability in municipalities and district councils and statutory bodies as from 01 January 2011. Municipalities and district councils will be required to adopt, as from 01 January 2011, with necessary modifications and adaptations, the Financial Management Manual (FMM), the PBB Manual and the Investment Project Process Manual (IPPM) in force in Government.

Provisions have been made for all funds, other than the General Fund, Passage Fund and Pension Fund, to be abolished and the balances transferred to the General Fund on 01 January 2011 when municipal councils and district councils will move to PBB. Being given that there is around Rs1 billion in these funds, it is now proposed that the balances be transferred on 01 July 2009 instead of 01 January 2011. Municipal councils and district councils will still move to PBB on 01 January 2011. At Committee stage an amendment will be brought to that effect.

The financial statements of a statutory body must be prepared in compliance with the International Financial Reporting Standards (IFRS) and the statutory body must include in its annual report a corporate governance report in accordance with the National Code of Corporate Governance. However, the Minister responsible for the statutory body is being empowered to make regulations to exempt any statutory body specified in Part II of the Schedule (those not operating PBB) from the application of the provisions relating to corporate governance and IFRS. Provisions have also been made for disciplinary action in case of non-compliance as from 01 January 2011.

The Bill provides for the auditor to submit his audit report to the Chairperson of the Board. In fact, this is a mistake, it should be submitted to the Board, not to the Chairperson. An amendment will be brought to that effect at Committee Stage.

Furthermore, a new provision is being introduced in the Statutory Bodies (Accounts and Audit) Act to restrict a statutory body from establishing or creating an agency or body of persons or acquiring or holding any interest in any other agency or body of persons, unless otherwise expressly provided in the enactment establishing the statutory body. Existing agency or body of persons established or created before the coming into operation of this new provision will have to be dissolved or wound up by 01 January 2011 and the assets and liabilities taken over by the statutory body, unless the Minister responsible for the statutory body approves otherwise.

Regarding PBB, Rodrigues will adopt PBB as from calendar year 2010, whereas municipal and district councils and certain statutory bodies deriving government grants exceeding Rs10 m. per annum [specified in Part I of the Schedule to the Statutory Bodies (Accounts and Audit) Act] will have to adopt PBB as from calendar year 2011. At this stage, those statutory bodies (specified in Part II of the Schedule) will not adopt PBB.

The above measures are contained in clauses 13, 14, 20 and 22 which amend the Local Government Act, Local Government Act 2003, Rodrigues Regional Assembly Act and Statutory Bodies (Accounts and Audit) Act respectively.

In the case of Rodrigues, the draft amendments provide, *inter alia*, for the draft estimates for the period of 6 months ending 31 December 2009 be submitted by the Commissioner (Finance) to the Regional Assembly for approval before 30 April 2009, so that these can be forwarded to the Minister (Rodrigues) by 15 May 2009 for consideration by Cabinet. The draft amendments to the RRA Act have received the concurrence of the RRA in accordance with section 75E of the Constitution. A certificate to that effect from the Chairperson of the RRA addressed to the hon. Speaker has been laid on the Table of the National Assembly on Tuesday 31 March 2009.

In the context of the implementation of PBB, Capital Fund has been abolished in Government on 30 June 2008 and the balance has been transferred to the Consolidated Fund on 01 July 2008. In the case of Rodrigues, which is implementing PBB, the Capital Fund is being abolished in the RRA Act on 31 December 2009 and the balance transferred to the Rodrigues Consolidated Fund on 01 January 2010. However, section 75D of the Constitution makes provision for a Rodrigues Capital Fund. The Attorney-General's Office has advised that, in due course, steps should be taken to amend section 75D of the Constitution in order to provide for the abolition of the Rodrigues Capital Fund as, with the repeal of section 43 of the RRA Act, section 75D of the Constitution will become spent.

Clauses 5 and 6 which amend the Finance and Audit Act and the Finance and Audit (Amendment) Act 2008 provide for a few technical amendments relating to financial year, estimates of expenditure, investment project and a consequential amendment relating to the introduction of PBB in Rodrigues.

Pension

Clauses 12 and 17 of the Bill amend the Local Authorities (Pensions) Act and the Pensions Act with effect from 01 July 2008 to provide for officers who have opted for the pension provisions effective as from 01 July 2008 to continue, on or after attaining the age of 55, to be eligible for pension benefits, and for related matters. These amendments were not included in the numerous amendments to the pension legislation made in the Finance (Miscellaneous Provisions) Act 2008 in the context of the implementation of PRB Report 2008.

Other Miscellaneous Amendments

Clause 3 amends section 68 of the Employment Rights Act 2008 to empower the Minister to make regulations for the levying of fees and charges to be in line with the Employment Relations Act 2008.

With the coming into operation of the Employment Rights Act 2008 on 02 February 2009, Clause 10 of the Bill repeals, as from that date, section 13 of the Investment Promotion Act relating to the labour provisions in the export manufacturing enterprise.

Mr Speaker, Sir, we should not overlook the social impact of the ASP. In fact, the very focus of the ASP is employment protection and there is no more powerful way of protecting people than to protect their means of livelihood. The record level of employment creation of 19,400 in 2008, speaks of the determination of government and of the effectiveness of our approach to social development. Especially at a time when millions of people across the world are losing their jobs and millions are being thrown below the poverty line according to the latest figures of the World Bank. When we kicked off the additional stimulus package in October 2008, we implemented a series of measures to lower prices. We should recall that in 2007 the price of flour reached record levels due to poor harvests and high worldwide demand. If we had not intervened as a caring Government, the price would have risen to Rs10.20 per half kg. As a result of a cross subsidy operated by STC, Government kept the price of flour to Rs6.90 per half kg. The subsidy amounted to Rs683 m. Similarly, without a subsidy, the price of LPG, which is cooking gas, would have been around Rs550 per 12 kg cylinder. The price to the consumer has been kept at Rs315 because of a subsidy of Rs614 m.

The ASP implemented a further round of price reduction to ensure that the population benefits from falling international prices.

- (i) First, the price of flour has been reduced by 15 percent from Rs6.90 to Rs5.85 per half kg;
- (ii) Second, the price of bread 100 gram has been reduced by 5.67 % from Rs2.65 to Rs2.50;
- (iii) Third, the price of LPG has dropped by 5 % from Rs315 to Rs300 for a 12 kg cylinder; The above prices will require subsidies in excess of Rs350 m. based on international prices and the parity of the US\$.

Mr Speaker, Sir, the ASP contains a number of measures to improve the income of small planters by accelerating fine de-rocking, mechanization and transport and by removing sugar from the list of controlled item for the purposes of the Consumer Protection (Price and Supplies Control) Act.

Mr Speaker, Sir, in a nutshell, there are more than 50 new measures, both economic and social in the Additional Stimulus Package.

Mr Speaker, Sir, let me respond to some of the observations made since the publication of this document. These are exceptional times and probably it is the first time, at least, as far as I can recall the history of our country, that we have presented a document in a press conference and then we come to Parliament. Parliament is supreme, and we come to Parliament and give more explanation. Be that as it may, three and a half months have elapsed since we published the Additional Stimulus Package.

There has been an interesting debate, Mr Speaker, Sir, and this debate cuts across what is happening in many other countries. The European Union has called our Additional Stimulus Package well timed, well focussed and well balanced.

The president of the ADB, two weeks ago, spoke of Mauritius as being ahead of the curve and a model on how a small island economy can respond to the turmoil affecting the global economy. The World Bank has said very clearly that we have been ahead of the curve. In fact, Mr Speaker, Sir, we asked them for US\$30 m. every year but, since we might have some problems, we have requested them to front-load their support and, in fact, they have agreed because we have been ahead of the curve. They will increase the US\$30 m. of support to US\$100 m. of support. The IMF, in its statement in January, has also stated very clearly that we have responded in a timely and an adequate manner. The Economist and the Financial Times have also praised our economic management. This is a debate on timeliness and adequacy.

Mr Speaker, Sir, however, I must say that there is a distinguished professor who advises us. He knows Mauritius very well as he has been advising us for the last four years. He is a professor at a distinguished university and he has told both the Prime Minister and myself that he believed that the ASP is too much and too early. The Chairman of the Mauritius Chamber of Commerce and Industry also has said in a statement that it is too much, too early. In fact, Mr Speaker, Sir, there is a very good debate going on in the world on the timeliness and the adequacy of Additional Stimulus Packages. There was a very good debate on BBC about two weeks ago and there was also an excellent paper in the Financial Times. Little did I realise, Mr Speaker, sir, that at this age in my life I would see a debate on four letters of the alphabet and these were distinguished economists and Ministers of Finance. And they were saying: are we in a U, a V, and L and the Germans as usual are very prudent in economics say it could a W. Let me try to explain, Mr Speaker, Sir, the significance of these four alphabet letters that at first sight appear innocuous. A V means that it will be a quick bounce back. This appears to be the view of the Americans. They seem to suggest that by the end of this year there could be a bounce back and already they are speaking about some green shoots using two indicators. The inventories are coming down which mean that they are very close to stocks being depleted. So, the production will start. Second, it would appear from the latest data

supplied by the Americans that housing market has bottomed up. With these two indicators some Americans believe that the recovery will be gradual and slow as from year 2010. May God make this happen! Then, there is a U. The U assumes that it will fall faster than probably the V but that we will stay there for some while and there are some people as Stiglitz, Nobel Prize in Economics, in an interview that he gave before yesterday, who believe that we have not seen the worse yet. He thinks that we will not have a recovery before the end of 2010 which is basically one year after what the Chairman of the Federal Reserves Bank says it will happen. There are people who are very pessimistic, who believe that it will be an L, and in some countries an L has happened - Singapore, Iceland, Seychelles - a rapid degradation of the economic outlook followed by a situation where it stayed there for quite a while. That would be the worst predicament for Mauritius.

Then I come to this issue of too early and too much and the arguments made by the Germans last week when they resisted the pressure of the Americans for an Additional Stimulus Package. Their refusal was not only driven by the fear of non-sustainable budgetary policy but also because they believe it could be a W. What a W means, Mr Speaker, Sir? It means that if you fire all your ammunitions in a war and the war lasts longer then you have no ammunitions. It has happened before in America, that if you fire too fast you get it up and then it comes down again.

This is one of reasons why the Germans resisted and they have been able to have the French with them and there have not been any additional fiscal stimulus from the G20. The only stimulus has come through additional reserves from the IMF, the World Bank at about US\$1.1 trillie -750 million for the IMF, 250 million for export credit and trade finance, 100 billion for developing countries. This is the debate, Mr Speaker, Sir. We have taken the view, after consultation with the Prime Minister and all my colleagues, that it is better to be slightly early than to regret what might happen in the future. But, Mr Speaker, Sir, I do not want to be nasty. The case of too little too late is a bloody joke. In fact, I have not seen a single independent economist who has said it. It does not exist. This is the first point I wanted to make.

The second point, Mr Speaker, Sir, again to enlighten House, is not a very complex one. The very fact that we are coming to this House and taking the time of this august Assembly with such an important document testifies to the undisputed fact that it contains many changes. Otherwise, we would not have wasted the time and resources of the House to have a debate. I understand from my good friend, the Chief Whip, that the debate will be extended beyond next week. So, we can't all be not understand what is happening. As I explained, Mr Speaker, Sir, there are 50 changes in this Additional Stimulus Package. Some of them are tax suspension; in fact, there are ten tax suspensions. In fact, there has been a big debate. How do you stimulate the economy? The French believes that we should do it through budgetary expenditure. *On soutient l'infrastructure*. The Brits believe: you should support consumption, and Americans believe in a combination of the two. And this is what we have done, Mr Speaker, Sir. We have suspended, ten taxes and these tax measures incentives are paying dividends. The other problem that we face, Mr Speaker, Sir, when things do not happen, we do not know whether they would have happened. It is precisely because we have given cash flow facilities and we have reduced the fiscal burden that many enterprises are able to maintain competitiveness and they are not laying off people. Had we not done this, we would have been criticised as people lose their jobs.

The other point, which is probably a source of confusion, is probably a legitimate point. We have earmarked five funds. These funds were planned to be spent over five years. Because of the acceleration of the global economic slow down, we have decided in Government to accelerate, to front-load the expenditure in these funds, and that is why you will see in, one year, we have committed all Rs500 m. in the manufacturing fund. In my humble submission, it will not be enough if the recession persists, Mr Speaker, Sir. Then, there is the issue which my good friend, the Vice-Prime Minister and Minister of Tourism said this morning. This is the first lesson that we learn very often in Economics: money is fungible. And I hope my good friends understand what are the implications of the fungibility of money. I always have this argument with my friends of the trade unions in Customs. They say: "We collect most of the money. Why don't you pay us more money? I say money is fungible. We will never be able to identify which money goes for teachers, which money for nurses, which money for security, which money for Policemen. Money is fungible, otherwise I can say that the money from NRPT is for this; the money from cigarettes is for A. Money is fungible, Mr Speaker, Sir. True it is. I am sure some of my friends on the other side would say "But we could make some savings in Capital Expenditure!" Maybe. But this saving in capital budget could happen with or without Additional Stimulus Package and that is why I have given instructions to redirect expenditure from low priority items to high priority items.

The third point, Mr Speaker, Sir, maybe we have not explained enough. That the money is being given to the Private Sector. It is certainly not true, Mr Speaker, Sir. Most of the Rs10.46 m. will be for public infrastructure. Hon. Bachoo, the Minister for Public Infrastructure, will get about Rs2.5m additional money. The dualling of the motorway from Pamplemousses to Grand'Bay did not appear in the Budget 2006/2007, 2007/2008, 2008/2009. The bypass of Triolet and of Goodlands do not also appear. We have given an additional Rs500 m. to Local Authorities, Mr Speaker, Sir, including Rs50 m. to Rodrigues. These are being committed by the Minister responsible for Local Government. All of them have been committed, and some projects have started; Rs500 m. for health, repairing hospitals and schools and for the environment, Mr Speaker, Sir. All these are new funds to invest in public infrastructure.

With respect to saving jobs, I am willing to listen. I am in a listening mood, Mr Speaker, Sir. I will be listening more because we have never known such changes in our history. As an Economist, I have only read about the great depression. We would be the most stupid Government not to listen to people, Mr Speaker, Sir. We are in a listening mood, but I am at great pains to understand how we can save jobs if we do not help enterprises, Mr Speaker, Sir.

In Holland, they are paying directly the wages and salaries of people. Do they want us to nationalise enterprises, Mr Speaker, Sir? Who would have thought that in the cradle of capitalism, they would nationalise banks and insurance companies? Who would have thought about this, Mr Speaker, Sir? People are thinking out of the box in order to find solutions to protect people and to save jobs. I do not know how to do it otherwise, Mr Speaker, Sir. Mr Speaker, Sir, if there are robust alternative measures, we will listen. We must be serious. Are there other ways and means of saving jobs without helping enterprises? And we are not giving money. In Holland, they are giving money. In the UK, they are giving money. Here, Mr Speaker, Sir, Government is investing through debentures and we put conditions. They cannot declare

dividend before they pay us back our money. They cannot *licencier les gens* without talking to us. It does not mean that they cannot lay off people, Mr Speaker, Sir. We are not that stupid. Even the money that we will give them will not be enough to pay wages. This is what the Chamber of Commerce has misunderstood, Mr Speaker, Sir, and my good friend, hon. Boolell, has well replied to them. In Government, our priority is to save jobs. What we are saying is that if you have money from the public, you must sit down with us and see what are the different alternatives. It does not mean we can keep in business enterprises that do not have a future, because this would be against globalisation. We need resources to be shifted from low wage sectors to high wage sectors, Mr Speaker, Sir.

The fourth criticism that we have heard is on the social front. Mr Speaker, Sir, I have just explained and I have said that all the time, the greatest thing that a Government can do to protect people is to protect jobs. The greatest thing that people can do to remove people from poverty is to give them access to job and this is what we have done, Mr Speaker, Sir. And this is the result of reforms. People are surprised that we have created 19,300 jobs. If you remove the 2400 foreigners, 16,900 jobs. Never, Mr Speaker, Sir, in the history of this country have we created 16,000 jobs for our Mauritians in one single year when we are in a recession. This is protecting jobs, protecting people. I am the first person that would have liked to do much better, Mr Speaker, Sir. And, as I say, our heart also is on the left, but you need to be responsible because circumstances are extremely difficult, Mr Speaker, Sir.

Mr Speaker, Sir, let me conclude by stating that our new development model has achieved resilience and versatility but in a global recession unparalleled in the past 60 years, no country is immune. No country is isolated, even if it can be resilient and insulated. And most analysts agree that we have not seen the worst yet. Since December, the IMF has revised its forecast for growth downwards twice and significantly. There is a rapid deterioration in global economic outlook. A couple of weeks ago the OECD came up with even bleaker predictions. This has been going on for more than 18 months now, and there is a real and deep anxiety gripping the world. The Nobel Prize winner, an Economist, Prof. Joseph Stiglitz, thinks that the global recession will be as bad as the great depression. The DG of the IMF, Mr Dominique Strauss-Khan, has also called it the 'great recession'. Mr Speaker Sir, as a small export platform that trades mostly with those very same countries that are at the epicentre of this economic tremor, we must be on our guard. We must be ready for the worst and be flexible enough to change course rapidly on measures and policies that are not giving results. We must be able to come up with timely responses to changes and challenges as they come our way. We have seen, in these past eighteen months, that the perceived impossibility can actually come to pass. We have been witnessing negative events with low probability but with amazingly large impact.

There is an excellent book which is called the Black Swan, Mr Speaker, Sir. It is a combination of events whose probability of happening is very low, but when they happen, it is a disaster. We have been witnessing negative events with low probability but with amazingly large impact. The mere scope and magnitude of the financial crisis and the downturn in the global economy are beyond the realm of normal expectations. We have come out unscathed by the first phase of the crisis, which was mainly banking and financial. We have resisted the second phase, which was the spill over to the real economies of developed countries. Now we are in the midst of its third phase, which is the spread of the recession to the rest of the world. And there are now

fears of a fourth phase which is a jobs market crisis. In such a world, Mauritius indeed needs to be doubly vigilant and ever prepared to respond positively to the unexpected. We have been ahead of the curve. We must stay ahead. The Additional Stimulus Package does precisely that. We will for the next two years compile and analyse the effectiveness of our policies, every six months, and monitor developments on a weekly basis so that with timely response we can effectively protect jobs and businesses and protect the vulnerable families and the poor. When the global economy recovers, ours should be strong enough, Mr Speaker, Sir, to bounce back to the higher growth path.

Mr Speaker, Sir, while there are reasons to stand on our guard, hopefully there are also reasons to hope that things will improve too. The resolve of G-20 last week to –

- (i) restore confidence, growth and jobs;
- (ii) repair the financial system to restore lending;
- (iv) strengthen financial regulation to rebuild trust;
- (iv) fund and reform our international financial institutions to overcome this crisis and prevent future ones;
- (v) promote global trade and investment and reject protectionism to underpin prosperity, and build an inclusive, green and sustainable recovery should contribute to return and give us an oxygen of confidence in international markets and mitigate the impact of the crisis, especially on emerging countries like Mauritius.

The trebling of resources available to the IMF to \$750 billion combined with other measures that would inject an additional \$1.1 trillion dollars to restore credit, growth, and jobs in the world economy are indeed, Mr Speaker, Sir, positive news for global recovery.

Some analysts think that the US economy is showing the first signs in many months that it could be getting ready to crawl out - I use the word 'crawl' - of a long recession. Among key leading indicators, the measure of "new orders less inventories" is currently at +9 in March 2009 against -0.7 in February. Analysts see in it the first sign that the severity of the US recession might be easing.

Mr Speaker, Sir, our own efforts on economic diplomacy, exemplified by the success on AGOA and graduating Mauritius to the white list of the OECD, should give our economy more strength to face the ripple effects of the global crisis. Moreover, Mr Speaker, Sir, we will continue to use monetary, fiscal and budgetary policies to stimulate the economy, to protect jobs and the population. The ASP adds to all these efforts, and we are confident that it will play a fundamental role in protecting the economy, in protecting jobs, in protecting the population so that Mauritius can prevail.

I now commend the Bill to the House, Mr Speaker, Sir.

Dr. Bunwaree rose and seconded.

(18.10 p.m.)

The Leader of the Opposition (Mr P. Bérenger): Mr Speaker, Sir, history has already recorded that the present Finance Minister and the Government as a whole has been indeed very slow in waking up to the depth and seriousness of the ongoing financial and economic crisis and to its impact on our economy. This is a fact. The Minister of Finance himself mentions the financial and economic tsunami that is hitting us.

Mr Speaker, Sir, the hon. Minister of Finance went back to 06 June 2008 Budget for the period 2008/2009. Lots of words, but let us look at the facts. By 06 June 2008, only those who did not want to see did not see. The writings are over the walls all over the world. Yet, in that Budget, after all these signals, signs and warnings given here in Mauritius on 06 June 2008, when the international financial and economic crisis was already reaching our shores in that Budget, the Minister of Finance predicted that GDP would grow by 6.2 % in 2008/2009, oblivious to all the signs and to what nearly everybody else would see. Mind you, Mr Speaker, Sir, he predicted that GDP would grow by 6.2% in 2008/2009 compared to 5.5% in 2007/2008, that is, our GDP growth would accelerate and all the signs were all over the place. Probably it would be the only place in the world where the Minister of Finance, when presenting his Budget went completely wrong in 2008/2009, that is, the GDP growth, that is, the growth of the economy would accelerate. We know the results, Mr Speaker, Sir.

In that same Budget Speech, there was nothing serious; no serious reference to the International Financial and Economic crisis. That was already all over the place and reaching us. On the contrary, we were delivered a bumper crop after an early harvest a year before. Thunder was all around us, but here the present Minister of Finance predicted an acceleration in our GDP growth and a bumper crop, Mr Speaker, Sir.

Today, we heard a few nasty words around. The hon. Minister of Finance is getting used to that. I was referring to the Budget Speech of 06 June 2008. By 21 October 2008, that is, two months of this stimulus package, in '*Le Mauricien*', these were the words used by the Minister of Finance: "*Le seul problème est que certaines personnes veulent créer une hystérie, une panique, une paranoïa !*" Two months later, the Stimulus Package reached us, Mr Speaker, Sir.

By the time I put a Private Notice Question on 11 November on the impact of the International Financial and Economic Crisis on the Economy - I think slightly more than one month before the Stimulus Package - it was the same *refrain*. The economy, we were told, is remarkably resilient. It was one month before the presentation of the Stimulus Package and then, one month later, the Stimulus Package was with us. One has the impression that it is some time around the end of November, beginning of December, that the hon. Minister of Finance finally became aware of the seriousness and depth of the International Financial and Economic Crisis and of its impact on our small economy. And, yet, Mr Speaker, Sir, I and others were called all sorts of names because, as from the end of 2006, we had started ringing the alarm bells. There was no hysteria, there was no paranoia. As from the end of 2006, I and others were saying: 'Beware, the storm is coming!' To use the Minister's word: "the tsunami is coming".

On 28 March 2008, we said, I quote *Le Militant* –

« *Le gouvernement semble considérer Maurice comme un petit univers coupé du monde alors que cette crise se fait de plus en plus menaçante pour le pays* ».

We were no *prophète de malheur*. Everybody who wanted to see could see it coming, and this is what we kept on saying as from the end of 2006. In fact, by December 2008, we predicted that the GDP would go down, below 3%, Mr Speaker, Sir. The signs were there, not only in Mauritius. The warnings were given, not only in Mauritius, but in the United States, in Europe, the International Monetary Fund, the World Bank. The signs were there. That is my first point, namely that history has already recorded, that the present Minister of Finance and Government as a whole have been very, very slow in waking up to the depth and seriousness of ongoing financial and economic crisis and its impact on our economy.

Mr Speaker, Sir, the only impression I find to describe the Stimulus Package is a *fourre-tout*. A *fourre-tout* ! All sorts of things have been put into it - budgetary measures that had been announced in previous budgets and especially in the 2008/2009 Budget were dug out and presented again. There were all sorts of budgetary measures - Capital Expenditure and even Recurrent Expenditure. If you read it, even the payment of PRB is part of the Stimulus Package. There are all sorts of things, everything that one could find, all sorts of measures to facilitate business that had been announced, not only in 2008/2009, but in previous Budgets and not implemented, were taken out, cleaned up and presented again, Mr Speaker, Sir. There were all sorts of budgetary and other measures - what the Development Bank of Mauritius and the Bank of Mauritius are doing; even the State Trading Corporation. There was a mess there. At least, today, the hon. Minister did not say Government is giving subsidies, he mentioned only subsidies. We know what is happening at the STC. They are fleecing consumers on certain products to cross-subsidise other products. What has that got to do with a Stimulus Package? And even today, not only in the text, there was reference to the STC, the dealings of the STC, as part of the Stimulus Package, Mr Speaker. I could go on and on. That is why I call it the *fourre-tout*. There is no other word to describe it. In fact, it is what our friends, the Brits, call repackaging. You take different things that have already used, overused, abused. *On met un nouveau phare*, we repackage and we call it Additional Stimulus Package. In a way, it is a bit like *le projet "Ile Durable"*. It is as if with the projet "*Ile Durable*," we are reinventing an ecological world. Our Government and the previous Government before our Government, all Governments have been trying to use *les énergies renouvelables* all out, to save on energy. Fair enough, you take all the different measures, you improve on some; you add a few measures, you repackage the whole thing and you call it "*Ile Durable*." Never mind that city power is there, smoking out *l'île Maurice, Ile Durable*. I see a parallel between this so called Stimulus Package and the *Maurice, Ile Durable* project. Fair enough, if it motivates people, if it makes people concentrate, if it does bring energy out, let us recognise the fact that a lot of things were being done and that we cannot fool people by giving the impression that it is something brand-new, *île Maurice, île durable!* A brand new thing! Or a stimulus package!

My God! When he woke up, he woke up for good. After having slept all this time, when he woke up, he woke up for good and discovered a whole new economic world. No way! That is why I call it, Mr Speaker, Sir, *un fourre-tout*. And let us not forget that if we take the Capital Budget before we all melted it in one pot...

(Interruptions)

In the Capital Budget for 2007-2008, we all know that some 60% of the budgetary provisions only were spent. That is why we could create new funds because we had under-spent over the past year.

I heard the hon. Minister of Finance say that he is in a listening mood. I would much prefer see him in a faithful mood, that is, present things as they are. Don't always try to take people for a ride, present things as they are, and what is going well, say it is going well! What has gone wrong, say it. Be candid!

(Interruptions)

Be really candid! I will admit, as I said earlier, that although it is a repackaging, it is a *fourre-tout* where a lot of things that are already there are presented as new things. I will agree that some expenditure has been increased on infrastructure and so on. Certain taxes have been suspended; certain facilities that were already there have been amended. Fair enough! But, my second point is: don't fool people! This is a *fourre-tout*! This is an exercise in repackaging. My third point will be, *en fait, la nouveauté, c'est l'aide aux entreprises privées. La nouveauté dans ce stimulus package, c'est la décision du gouvernement d'utiliser les fonds publics pour aider des firmes privées.* That is the new thing. *C'est cela la nouveauté!* And let the Minister not fool himself outside; out there, as somebody says on your side. Outside, out there, this is exactly how the public perceives the whole exercise. The public is no fool. They have seen so many budgets presented since the last elections.

In a given way, they know, they perceive *que la nouveauté, c'est cette décision du gouvernement d'utiliser les fonds publics pour aider les firmes privées.* It is called mechanism for transitional support to the manufacturing sector in the stimulus package. But replying to Parliamentary Questions last week - I don't know why - the hon. Minister of Finance, this time, called it the Mauritian approach. Let us call it the Mauritian approach, because it is clear from what I read and what's coming that it is not just in the manufacturing sector that public money is going to be used to help private firms.

Et pas ène ti casse, Mr Speaker, Sir! The hon. Minister of Finance himself has said, over the last few days, that over Rs1 billion of public funds will be used to help private firms. I mentioned history earlier on. Well, let us stop and ...

(Interruptions)

Mr Speaker: Order!

(Interruptions)

Order, I said! I said, order, please!

Mr Bérenger: I mentioned history earlier on. Let us put on record the fact that this is the first time in the history of Mauritius that more than Rs1 billion of public funds are going to be used to help private firms. First time in the history of the country!

Mr Speaker, Sir, allow me to put two questions. The first one is: what would they have said if it was the MMM or the MSM? If it was Paul Bérenger, what would they have said?

(Interruptions)

Mr Speaker: Order, please! Now, order!

Mr Bérenger: I repeat: what would they have said if an MMM Government or any Government with the MMM took public money to help private firms? It hurts!

(Interruptions)

Mr Speaker: Hon. Member, will you please, keep silent! I am asking you please to keep quiet.

Mr Bérenger: Not only what would they have said, what kind of accusations, including racist accusations would not have been levelled at us. This is a fact. Anybody who knows what truth is about knows that this is the truth. And, secondly, Mr Speaker, Sir, what kind of behaviour would we have witnessed, if Mauritius, these days, had an Opposition like the kind of Opposition which the country had between 2000 and 2005? Let us just imagine that!

(Interruptions)

Let us just imagine what kind of campaign would be going on! *Ainsi va la vie!* But, of course,

(Interruptions)

Pas nerveux! Cool down !

Mr Speaker: Order! Order, please!

Mr Bérenger: And that is why when *la nouveauté* comes, that is why I am tempted to say: *kot Nita et Cader, vous autres?*

(Interruptions)

Kot Nita ek Cader, vous autres?

Mr Speaker : Order! I will ask the hon. Leader of the Opposition to address the Chair.

Mr Bérenger: They react like that, because they know that it is the truth.

(Interruptions)

There is no demagogy in that. Absolutely none!

(Interruptions)

Mr Speaker: Order! Order!

Mr Bérenger: And, Mr Speaker, Sir,.....

Dr. David: On a point of order, the hon. Leader of the Opposition is imputing motives.

Mr Speaker: Where are the motives?

Dr. David: If we were in the Opposition, we could have said this is a racist argument...

(Interruptions)

Mr Speaker: This is not imputing motives!

Dr. David: It is, Mr Speaker!

(Interruptions)

Mr Speaker: Is the hon. Minister challenging my ruling? This is an opinion. I am giving a ruling in the House!

(Interruptions)

Order! Hon. Members on the other side of the House will have an opportunity to refute what the hon. Leader of the Opposition said.

Mr Bérenger: Mr Speaker, Sir, don't keep me sitting and standing too often.

(Interruptions)

Yes, muscular stimulus! So, Mr Speaker, Sir, this is the truth. Maybe, *c'est le destin de Maurice*. When you have a responsible Opposition, we'll say what we have to say, but we will not carry out the kind of campaigns which another Opposition would carry out in such circumstances. And this is no demagogy, Mr Speaker, Sir, to say that, out there, the workers know that there is *deux poids deux mesures*. *Le contraste est frappant*. On the one hand, we are going to vote more than Rs1 billion to help private firms; but on the other hand, Mr Speaker, Sir, not only other workers refuse their full compensation, but 1% of their wages are deducted as from the end of February. *Si ce n'est pas une politique de deux poids deux mesures*, what is it?

When you take these Rs10 billion that the Stimulus Package mentions, and compare it to what this 1% represents, this was the worst time to start cutting wages by 1%. *Le contraste est frappant; la politique de deux poids deux mesures est encore plus frappante*.

My fourth point will be on the conditions that Government has set for helping the private sector and on the transparency that we are promised, Mr Speaker, Sir. The main condition - if that is the word - is that firms will have to preserve employment as much as possible; *déclaration d'intention, effet d'annonce*. At least, the hon. Minister of Finance has acknowledged that the intention is declared. We'll see in the months to come what the result is. The main condition is to preserve employment, then equity injection by the owners, no dividends until all preference shares held by Government are redeemed. Government may appoint a representative on the Board of the company concerned.

And then a little sentence which I did not hear the hon. Minister refer to at all today or in the recent past, but which is in the Stimulus Package, which is one of the conditions for public money to go to private firms, that is, I quote –

“cuts in management paid benefits and perks”

Un silence tonitruant! Neither today nor in the recent past, in the past days, have I heard anything about that. And yet, Mr Speaker, Sir, elsewhere there have been actions taken; some insufficient - fair enough - but there have been actions on that score. In the United States, legislation has been passed because of *les primes payées aux hauts cadres, aux compagnies qui venaient de recevoir des milliards de dollars*. There was a huge outcry, and the Congress there had to legislate. Well, it didn't have to, but the outcry was so loud that they did legislate. In France, it didn't go through Parliament, but *un décret présidentiel* was published on 31 March *au journal officiel* putting all sorts of controls, of limits on the pay, bonuses, *parachute doré* and so on in firms receiving public funds. It will be interesting to hear the hon. Minister of Finance reacting to that later on because I did not hear anything on that score except for that one line in the document circulated at the end of December 2008.

Now, the transparency aspect of the whole transaction: public funds going to private firms. We have been told that each of the firms concerned will have to come forward with a credible reengineering plan and that they will have to apply for assistance. The hon. Minister of Finance last Tuesday even told us that one application has already been turned down. What I want to know - this is totally *insuffisant* as far as transparency is concerned - is to whom is the application made.

The application is considered by whom? Is there a report published after each individual application? The decision is taken by whom? A Government Committee, Enterprise Mauritius! I want to know the application is made to whom, and processed by whom. Is a report produced, and the decision is made by whom? For the sake of transparency, we must be provided with all this information. Let's take the first example. Today, I understand from what the hon. Minister has said, that only World Knits has been approved. This is, therefore, the first case. Will the report produce on their request or the Minutes of Proceedings of the Committee Meeting that approved their request be made available? If it is not, there will be no transparency. And this applies to all the others.

We were offered the name of World Knits that the other ten and nine, those who have been considered, those who have just come in and so on, not a word on the firms concerned. I repeat, this is public money going to private firms, Mr Speaker, Sir.

And just as earlier I made reference to other countries - the United States, the United Kingdom - that have set conditions in terms of managers' pay, bonuses and so on. In the case of transparency also in the United States, in the UK, there is parliamentary scrutiny of those public funds being handed over to private firms. There is in the United States and in the UK parliamentary scrutiny, and the latest example I came across was in Trinidad and Tobago where they proposed a joint Select Committee of the House so that there would be complete transparency.

Of course, we know how business is done, we know that we cannot give all the information at this given point in time. But if there is going to be transparency, this is public money being handed over to private firms, we will insist on complete transparency and a friendly warning to Government: be very careful, if ever one case of *petit copain* and, even worse, one case of *petit copain parlementaire* crops up, this is going to ruin the whole thing. It will be the death warrant of the whole stimulus if there is a single case of *petit copain* or of *petit copain parlementaire*. This is what I had to say on the conditions set by Government for private firms to receive public funds as per the Stimulus Package and on my request, my insistence, that there must be total transparency. Mr Speaker, Sir, by the time we are considering this Stimulus Package today in the House, Stimulus Package or no Stimulus Package, unfortunately, the situation is deteriorating already and my worry is that things will start accelerating as from July/August. But, already said things are deteriorating very seriously. You just glance at papers, headlines speak louder than you. The Governor of the Bank of Mauritius, Mr Bheenick : *'L'économie est dans un état critique, le pire est à venir, le textile est en récession'*. And he goes on and on like that.

Sectors: *les activités portuaires au ralenti* - 20% decrease according to reports in the number of containers handled. *Le port, les activités portuaires au ralenti, le port franc dans une mauvaise passe, fermeture et licenciement dans le BPO, le seafood en eau trouble, la construction s'enfonce dans la crise, 30 employés licenciés dans les hôtels, une centaine d'autres menacés, les profits des hôtels baissent de 40% à 50%* and I could go on and on like that. Figures by the Central Statistical Office and others should be made available as things deteriorate. We must know, three months after the Stimulus Package has been devised, where we are going. I repeat: Stimulus Package or no Stimulus Package generally and, in different sectors of the economy, things are deteriorating already, and we can expect an acceleration of that deterioration as from July/August. How does the GDP be have after this Stimulus Package, Mr Speaker, Sir? Previsions have gone from the 6.2%, which the hon. Minister used in his Budget as late as June 2008, down to 4%. Central Statistical Office has brought it down to 2.5%, but it is clear that it cannot be 2.5%. There is an interesting episode, Mr Speaker, Sir, when in February the IMF – not the Central Statistical Office - brought down the GDP projection to 2%, the hon. Minister of Finance went public...

(Interruptions)

You will correct it, but it was published. He said, Mr Speaker, Sir...

Mr Speaker: Don't interrupt! The hon. Minister will have the opportunity to reply.

Mr Bérenger: Exactly! So, when the IMF came out with that estimate of around 2% of GDP growth, the hon. Minister of Finance said the IMF has not taken into consideration the Stimulus Package. I don't always agree with the IMF, but they are not that kind of fools. What is funny is that the Governor of the Bank of Mauritius for his part - a few days after - on 06 March said: "I have no reason to dispute the recent International Monetary Fund growth production of 2% for 2009".

(Interruptions)

It is not a question of being *camarade are* Bheenick; that's so childish, Mr Speaker, Sir. They put somebody as Governor of the Bank of Mauritius and then they had that kind of remark. It's not less than be childish in the kind of circumstances that we are in, Mr Speaker, Sir. In fact, the hon. Minister of Finance repeated it today. He said that he expects the Stimulus Package to increase GDP growth by 1% to 1.5%. In fact, on 07 January, he gave an interview to 'L'Express' where he said that the growth would be, at least, 4.5%. We will be around, we were there when the prediction was 6.2%, and now we have the IMF saying around 2%. Mr Speaker, Sir, unfortunately, as the hon. Minister himself said, the provisions, as far as the outside world is concerned, are - I was going to use the word, terrifying. When the OCDE countries estimate that, in 2009, GDP for the whole of the OCDE countries is going to go down by 4.3%, frightening. I don't want to terrify people, but it is certainly frightening. We see everyday what is happening in the UK, US, France, our main markets. We know, Mr Speaker, Sir - I come back to that - what kind of underspending there has been in the recent past, in the 2007/2008 Budget. When we look back to the previous Budget, we saw heavy under spending. I hope it is not as heavy in relation to the Stimulus Package as it has been in the budget context generally, Mr Speaker, Sir. That is why I am very concerned that, instead of being 4.5%, as the hon. Minister of Finance said on 07 January, two days ago, I am afraid...

(Interruptions)

The hon. Minister could correct today, it is not too late. He said 6.2%, then, in January he said 2.5%, now he says it was a long time. I believe that unfortunately...

(Interruptions)

Mr Speaker: Every time the hon. Minister does like this. He is interrupting. He will have the opportunity to reply.

Mr Bérenger: He thinks he is the traffic officer, Mr Speaker, Sir. So, I am afraid that it is going to be less than 2%. I hope I am proved wrong, but I am afraid it is going to be less than 2% and it could be very bad. But these are the times that are coming. And, again, I am no Bheenick fan, as everybody knows. But this Stimulus Package was presented by the Prime Minister and the Minister of Finance at the end of December.

By 06 March, again, the Governor - we have only one Governor, one Bank of Mauritius – appointed by the Prime Minister under the law...

(Interruptions)

I do not know if he is still not taking his wages. But, on 06 February, the Governor said, I quote –

“We feel the time is right to start thinking about the second Stimulus Package”

Here we are in the House today considering, examining a first Stimulus Package. I gave quotes, I could give figures to show that Stimulus Package or not, the situation is fast deteriorating in every sector. And now the Governor of the Bank of Mauritius suggests that the time has already come for a second Stimulus Package. Let us wait and see. For my part, Mr Speaker, Sir, I would request Government to do more than what has been done in the Stimulus Package for small and medium enterprises, - *les petites et moyennes entreprises* - small hotels especially are going to be hit very, very hard; already they are being hit very hard. Reference was made to small planters, but more needs to be done, Mr Speaker, Sir. It is not only my voice that should be listened to.

Mr Speaker, Sir, earlier on, I made reference - I forgot one point - to under spending in past Budgets on capital projects and especially on infrastructure, that massive under spending that took place in the 2007/2008 Budget. I expressed my fear that this should take place in regard to the stimulus package also. It is as if sheer coincidence that this morning you read *un partenariat Chine/Maurice pour quatre projets routiers*. Well, I hope I am proved wrong. I hope what took place after the presentation of the last Budget in June 2008 does not happen again. You remember what we were told on PPPs. Everything was going to be done.

The country was going to be developed like anything through PPPs - Public Private Partnerships. The dream bridge was going to be PPP, the ring road was going to be PPP, but not PPP: zero, zero, zero. And now, when we are meeting to consider the stimulus package, suddenly there is a Chinese saviour on the horizon. We know that since the last elections there has been no progress at all concerning *la congestion routière*, but a constant deterioration. Now, when the stimulus package is presented, we no longer hear of PPPs, not a word on PPPs Mr Speaker, Sir!

This brings me back to the fact that there has been under spending in past budgets and there should not be that kind of under spending as far as the so-called stimulus package is concerned. The hon. Minister of Finance said nothing about the budget deficit, about the impact of the stimulus package on public debt and on the impact of the stimulus package on the current account. I take it that it is because in less than two months' time we will be considering an interim budget. But I don't think there was anything wrong in giving indications prior to the budget for six months, because I am sure that the technicians have already worked out what is going to be the impact of the stimulus package on the Budget deficit on public debt and on the current account. I have had the opportunities in the recent past to say that I am very worried, especially concerning the current account. Maybe, when he sums up we should have some enlightenment. Mr Speaker, Sir, this is my point.

The main point that I wanted to put forward is one, the Minister, and Government, have been very, very slow in waiting up to the seriousness of the international financial economic crisis and its impact on Mauritius. Secondly, the so-called stimulus package is a *fourre-tout*; a repackaging of a lot of things.

Thirdly, *la nouveauté, c'est l'aide à travers les fonds publics aux firmes privées* and I have raised the issue of conditions and the required transparency. Then I went on, Mr Speaker, Sir, to say that stimulus package or no stimulus package, the situation is already fast deteriorating and we are very worried that as from July/August, things will accelerate.

And, finally, I made a request for special consideration for the small and medium enterprises and for Rodrigues. Indeed, especially here, if we do reach November/December we will have had a Budget in June 2008; a stimulus package in December 2008 examined now, in April by the House; an interim Budget at the end of May and then supposedly, another Budget before the end of the year to move on to the calendar year for our financial consideration. This is a very special situation and, I think, that there is need to give serious consideration to what we are going to do. The tradition had been for one big show at budget time. This time we are going to have three, but I think...

(Interruptions)

Mr Speaker: Order!

Mr Bérenger: I am not a great fan of this one big bang every year. It is not necessarily - the speed at which things change and so on, I am not sure that this is an opportunity. In fact, I am sure that this is an opportunity to give very serious thought to how the budgetary matters, the economic and financial affairs of the country will be handled and presented.

Having said that, budget time has always been a time to get people focused, to get everybody on board in a given direction. Now, *on est en train de s'éparpiller par la force des choses*. I am not being totally negative, I am saying *par la force des choses on est en train de s'éparpiller*. I think we should give very serious thoughts to what is the best solution when presenting budgetary, economic and financial affairs of the country for the benefit of the country. Thank you, Mr Speaker, Sir.

The Minister of Education, Culture & Human Resources (Dr. V. Bunwaree): M. le président, nous venons d'entendre le *Leader* de l'opposition et je regrette de dire que j'ai été vraiment déçu.

Je m'attendais, en cette période de crise sur le plan international, mondial, y compris chez nous, d'entendre une analyse en profondeur de ce qui est en train de se passer sur le plan de l'économie internationale et mauricienne de la part du *Leader* de l'opposition, et venir avec des contre-propositions et nous dire carrément - pour un *Leader* de l'opposition qui est un Premier ministre en attente - ce qu'il ferait s'il était de ce côté de la Chambre.

J'ai l'habitude de dire les choses comme elles sont. Quand les membres de l'opposition disent des choses valables, je le dis haut et fort. Mais, j'étais vraiment déçu aujourd'hui, M. le président. C'est un discours où il n'y a vraiment pas grand-chose. Je ne veux pas être méchant, je ne veux pas dire que ce n'est pas sérieux. Il a parlé avec autant de sérieux qu'il a pu, mais c'était un discours où il n'y avait vraiment rien. Il a commencé en nous disant: '*very slow in waking up*'. Je m'attendais à ce qu'il dise : il y a des choses que vous avez proposées qui sont très bonnes, mais vous êtes venus en retard.

Mais, son deuxième point est que c'est un fourre-tout. Il a même oublié qu'on est passé, effectivement, au *Performance-Based Budgeting*, où maintenant il n'y a pas de séparation nette entre le budget récurrent et le budget capital, et qu'on est en train d'aller dans ce sillage. Pour lui, c'est un fourre-tout. Il n'y avait vraiment rien dans le discours du *Leader* de l'opposition, M. le président.

M. le président, quand on parle de nouveauté, cela fait vraiment réfléchir, mais aussi rigoler. La nouveauté, c'est qu'on venait à la rescousse des entreprises en difficulté dans un moment de crise internationale, crise jamais vécue par le monde entier. La situation est exceptionnelle. Et celui qui a fait le *Illovo deal* vient nous dire qu'aujourd'hui le gouvernement est en train de venir à la rescousse des entreprises en difficulté, quand nous savons que c'est essentiellement pour sauver l'emploi parce que c'est le grand risque qui est devant nous.

M. le président, le *Leader* de l'opposition a aussi parlé du problème de transparence, de deux poids deux mesures pour les travailleurs - je viendrai là-dessus au cours de mon discours - pour ensuite conclure, en étant le prophète de malheur.

M. le président, nous sommes en période de crise, et on est en train de bien gérer la situation. Il faut attirer l'attention de la population sur le fait que la gestion est tellement bonne qu'elle risque de ne pas sentir, en ce moment, la vraie profondeur de cette crise. Et, cela risque de faire mal. Malgré tout ce qu'on est en train de faire, pour essayer d'éviter des crises catastrophiques dans le pays, il faut absolument que la population sache que la situation de crise est vraiment importante et profonde.

M. le président, tout le monde sait que l'économie globale, mondiale est secouée par la plus mauvaise crise financière que le monde ait connue. Cette crise financière actuelle, M. le président, est sans précédent eu égard à son impact, à la fois sur le système global mais aussi sur l'économie réelle. Les économies majeures sont rentrées en dépression ; il y en a qui frisent la banqueroute, et il y en a qui sont déjà en banqueroute. Nous avons l'exemple des Seychelles à côté de nous qui est rapidement entré en banqueroute.

M. le président, les bourses dans le monde sont devenues extrêmement volatiles, de telle sorte que jour après jour de nouvelles données apparaissent. Je vais peut-être revenir là-dessus plus tard pour dire qu'il est très difficile pour nous de prévoir ce qui va se passer dans les semaines et les jours à venir. M. le président, jour après jour la situation change, tant sur le plan de la croissance que sur le plan des chiffres pour la création d'emplois et des indices de confiance. On dit un chiffre aujourd'hui et dans les jours qui viennent on a un autre. Telle est la

situation, M. le président, et c'est la première fois, je pense, qu'on est dans une situation semblable.

Ce matin, en réponse à la *PNQ*, mon collègue, le vice Premier ministre et ministre du tourisme, a effectivement accepté qu'il y a quelque temps de cela, il avait pensé à quelque chose mais que, dans les semaines qui ont suivi, la situation a évolué si rapidement qu'elle a changé drastiquement. Donc, il faut accepter que c'est une réalité.

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La récession, M. le président, est encore forte en dommages. Pour cela, il nous a fallu faire vite. Au contraire, le gouvernement n'a pas été lent; il a été régulièrement à l'écoute et a agi très vite. La situation a été suivie de très près ; nous l'avons prise à temps, et c'est pour cela que certaines personnes pensent qu'on a agi trop vite. Il fallait peut-être aller de façon plus ralentie.

Nous avons l'exemple de ce que disait l'Ambassadrice de l'Union Européenne il y a quelques jours dans le pays. Il suffit d'avoir écouté ce qu'elle a dit; et elle l'a dit de façon extrêmement indépendante, à sa façon. A plusieurs reprises, elle a expliqué que l'île Maurice a su prendre des mesures qu'il fallait et a agi à temps. Et l'île Maurice a été flattée par elle pour avoir fait ce qu'il fallait faire au moment voulu.

M. le président, il y a eu aussi des efforts concertés sur le plan international et, certains pays, dont Maurice, en particulier, a su être avant-gardiste et a même résisté, et résiste encore, grâce à sa forme de résilience qu'on a obtenue depuis 2005 progressivement. Maurice a réussi en cela particulièrement, M. le président, parce que notre système financier bancaire est bien régulé et bien supervisé et, surtout, sans implication directe dans ce qu'on appelle le *sub-prime lending* qui a été, en effet, une des causes majeures de la crise.

Si, ailleurs, il a fallu injecter massivement des liquidités dans le système, cela n'a pas été le cas chez nous. Cependant, malgré cela, M. le président, il y a certaines grandes compagnies chez nous qui ont des problèmes de financement, étant donné que les banques prennent compte des risques et deviennent plus strictes. Les critères d'emprunt sont devenus trop difficiles. Il faut prendre cela en considération. Bien entendu, il y a eu un *slow down* ; on commence à sentir l'effet de l'investissement. Le risque que les grands projets comme les IRS soient retardés est là, d'où la retombée directe qu'on va sentir sur le phénomène de l'emploi.

Complicant cet état de choses, M. le président, il faut aussi savoir que la crise financière a amené un renforcement du dollar vis-à-vis des monnaies les plus importantes, telles que l'euro et la livre sterling. Nous avons connu, à Maurice, une dépréciation de la roupie significative vis-à-vis du dollar, mais une appréciation vis-à-vis de la livre sterling, l'euro, le rand, la roupie indienne et même le dollar australien, ce qui a créé des implications majeures pour la compétition de nos exportations, ainsi que pour le secteur touristique et la balance de paiements. Les effets négatifs, M. le président, après une première étape de résistance de notre système, ont finalement commencé à se faire sentir et, cela, essentiellement sur les secteurs d'exportation, en particulier les *textiles and garments*, mais aussi le tourisme, la construction, le *real estate* et le *global business*. Les effets de ces secteurs affectés ont ensuite eu, et vont avoir, un effet multipliant à travers toute l'économie qui se ralentit, provoquant un ralentissement significatif de

la consommation, des investissements, la croissance et, en particulier, la création d'emplois. Je vais en parler à la fin de mon discours.

Comme je viens de le dire, M. le président, l'impact de la crise a été, est encore, et sera difficile à prévoir. Des prévisions sur l'ampleur de cet impact sont très difficiles, car il y a beaucoup d'incertitude concernant - comme l'a dit le ministre des finances tout à l'heure - la profondeur de la crise, sa durée, ce qui va se passer, et l'étendue de la récession.

C'est très difficile à dire. Il est pratiquement impossible de voir au-delà de deux à trois mois. Il a fallu prendre cela en considération pour venir avec ce *Stimulus Package*, et ceci après maintes discussions. Ce n'est pas un *package* qui a été travaillé en quelques jours, mais après discussion avec tous les *stakeholders*. Cela cause des problèmes énormes à l'exportation et, pour trouver des solutions, on a été obligé de considérer non pas un mais plusieurs scénarios, étant donné l'incertitude qui existe.

M. le président, tout en gardant à l'esprit que Maurice fait face à un problème qui est dû essentiellement aux causes externes tout à fait au-delà de notre contrôle, la majorité des solutions dépendent des décisions du gouvernement. Bien entendu, le gouvernement a dû prendre des décisions, même s'il a fallu venir en aide, d'une façon particulière, aux entreprises privées. C'est le gouvernement qui a fait le pas ; il n'y avait pas d'autres solutions en la circonstance. Ajouté à cela, M. le président, il ne faut pas oublier ou minimiser l'effet psychologique qui entoure toujours cet état de choses ; tellement d'incertitude, obligeant les consommateurs - et cela pas seulement à Maurice mais dans le monde entier - à changer leurs habitudes, réduisant leur consommation ou renvoyer à plus tard des choses qu'il fallait consommer maintenant. S'ensuit une forme de morosité et un '*wait and see attitude*' qu'on a déjà connus dans le passé mais, cette fois, d'une façon extrême qui ne fait que compliquer davantage le problème. L'économie mauricienne, M. le président, a pourtant marqué une résilience majeure. Mais, cette résilience n'est pas quelque chose d'inattaquable. Il faut quand même faire attention. On a fait un travail remarquable depuis qu'on a pris le pouvoir en juillet 2005. La création d'emplois a été l'élément majeur de notre économie, de notre philosophie économique, et nous avons créé, d'année en année, un certain nombre d'emplois.

Je dois féliciter le ministre des finances quand il dit qu'on on a créé, en un an, plus d'emplois que le gouvernement précédent en cinq ans. Le taux de chômage a baissé pour la troisième année consécutive, partant de 9.6% à 8.5%. On avait prévu 7.8% pour la fin de l'année dernière, et les chiffres qui sont tombés sont à 7.2%. Donc, il faut accepter que le travail qui a été fait par ce gouvernement est un travail exemplaire et compétent. Le déficit budgétaire aussi a baissé d'année en année, M. le président. Bien entendu, il est difficile pour nous de chiffrer. Le *Leader* de l'opposition ne comprenait pas pourquoi. Ce n'est pas facile, parce qu'il faut voir l'effet du *Stimulus Package*. Là, où il a raison, c'est qu'il faut attendre la présentation du budget dans les semaines qui viennent pour comprendre. Ce que je voulais dire, M. le président, c'est que si on n'avait pas géré l'économie de la façon dont on l'a fait, et si le ministre des finances n'avait pas pris le taureau par les cornes - vous vous souvenez des triples chocs qu'on parlait lorsqu'on a accédé au pouvoir, maintenant, il y a plus que des triples chocs; la crise en a rajouté, il y a cinq chocs, six chocs. Bien entendu, on n'aurait pas pu avoir une économie résiliente si on n'avait pas réussi à créer l'espace fiscal satisfaisant pour absorber ces chocs, notamment le

démantèlement de l'accord multifibre, la réduction du prix de notre sucre, l'augmentation du prix du fuel, l'augmentation des prix alimentaires et, bien entendu, la crise globale.

M. le président, la politique du gouvernement depuis juillet 2005 porte, donc, ses fruits. Il faut admettre que cette politique de réforme, enclenchée dès l'accession au pouvoir de ce gouvernement, a commencé à avoir des résultats avant même le moment où on les attendait. C'est pour cela qu'on parle d'un *'early harvest'*. Tout le monde sait que c'est vrai. Le *harvest* avait commencé à venir de façon prématurée. Mais, l'on ne pouvait pas prévoir, M. le président, à ce moment, la situation dramatique où l'on se trouve aujourd'hui. Le *Leader* de l'opposition a parlé de la date de juin de l'année dernière. Mais, déjà, je dois vous dire qu'en mai 2008, l'île Maurice avait reconnu, à travers le ministre des finances, qu'il existait des risques majeurs d'une détérioration dramatique. Je me souviens que le ministre des finances avait annoncé qu'il fallait que Maurice soit prête à faire face au pire. Dans ce contexte, on avait mis sur pied les six fonds spéciaux - je pense que le ministre des finances l'a mentionné tout à l'heure - pour parer au pire. Cela a été rendu possible grâce à cet espace fiscal élargi dont je viens de vous parler, et grâce à une politique économique et financière prudente, intelligente, menée depuis le début de notre mandat. Ces fonds sont, bien entendu, le *Food Security Fund*, le *Human Resource Knowledge & Arts Development Fund*, le *Local Infrastructure Fund*, - tous ces fonds sont en train de fonctionner - Maurice Ile Durable *Fund*, le *Manufacturing Adjustment and SMEs Development Fund*. Vous verrez le volume de travail qui est réalisé par ce fonds, et mon collègue, le ministre du *Business, Enterprise & Co-operatives*, en parlera sûrement. Le *Leader* de l'opposition tout à l'heure disait qu'on faisait un appel spécial pour les *SMEs*. Nous en sommes conscients. Pour finir, il y a le *Social Housing Development Fund*. Le *Human Resource Knowledge & Arts Development Fund*, M. le président, est sous la direction de mon ministère, et je peux vous dire qu'il y a un énorme travail abattu par ce fonds, que ce soit dans le domaine de la culture, de l'éducation et, en particulier, dans le domaine infrastructurel. Si vous voyez le nombre d'écoles qui sont en train d'être réhabilitées; chaque école est en train d'aller dans la direction de pouvoir avoir un *computer lab*, un laboratoire pour *design* et technique, un laboratoire pour *design* et communication, un laboratoire pour la science.

Toutes ces écoles sont en train d'être pourvues de ces infrastructures. Partout où il y a un manque de ces laboratoires, on est en train de les construire et je pense que, d'ici 2010, on pourra fièrement dire que toutes les écoles sont équipées de ces laboratoires. M. le président, il y a aussi le problème d'hygiène dans les écoles. Qu'il s'agisse des toilettes, des réservoirs d'eau, on est en train de travailler de telle façon à ce que tous ces problèmes d'hygiène disparaissent le plus rapidement possible, afin de créer une ambiance particulièrement propre dans les écoles.

M. le président, le budget 2008-2009 a fait provision d'une somme de R 1.8 milliard en prévision d'une réforme adaptée à la crise globale. C'est tout à fait le contraire de ce que disait le *Leader* de l'opposition tout à l'heure. C'est parce que le ministre des finances avait déjà perçu certains signes qu'il est venu avec cela. En octobre 2008, le G-20 appela à des efforts concertés sur le plan mondial pour la stimulation de la croissance économique. On en a pris compte et, à Maurice, nous n'avons pas perdu de temps. Nous avons pris des mesures immédiates, en coordination avec la banque centrale, en faisant passer aux consommateurs - cela a été fait et continue à se faire - les baisses, autant que faire se peut, des prix des produits pétroliers, en définissant un *Additional Stimulus Package* qui fut présenté en décembre 2008, comme nous le

savons, dont le but était de limiter les dégâts de la crise. En ce qui concerne ce *Stimulus Package* et les mesures préconisées, cela n'a pas été le seul travail des experts du ministère des finances, mais bien entendu un travail - comme je le disais tout à l'heure - préparé avec le plus grand sérieux du monde, avec la plus grande compétence, un travail qui a été finalisé et présenté après consultation auprès de tous les *stakeholders*, en particulier le secteur privé - et la raison est très simple - car c'est lui qui est créateur d'emplois. Il y a aussi le risque de perte d'emplois. Donc, on fait tout ce qu'on peut pour éviter cela. On a discuté avec le secteur privé.

On sait très bien qu'ils vont profiter parfois de cette occasion pour essayer d'avoir un maximum de choses, mais avec l'expertise du ministère des finances, on a su faire la part des choses, après discussion avec le secteur privé, bien entendu, mais aussi l'*Empowerment Foundation* qui a abattu un travail remarquable. L'*Empowerment Programme* qui a été mis sur pied déjà depuis plusieurs mois a fait un travail remarquable. On a travaillé avec eux, tout comme le ministère du travail, parce qu'il s'agit de la sauvegarde de l'emploi pour essentiellement aller dans le sens de la réduction, autant que faire se peut, du problème de chômage et améliorer le reclassement professionnel, c'est-à-dire, empêcher les gens de perdre leur emploi si une usine ferme, essayer de les reclasser soit dans un autre métier, après une formation, ou bien carrément bouger vers une autre entreprise qui offrirait le même emploi.

Très vite, M. le président, le ministre a compris que pour que le pays puisse sortir gagnant de cette crise, il fallait agir sur plusieurs fronts à la fois. Et c'est cela, peut-être, que le *Leader* de l'Opposition n'a pas compris, et pense appeler cela un fourre-tout. Il fallait, en particulier, agir sur plusieurs fronts à la fois. Bien entendu, à tout seigneur tout honneur, la macroéconomie, mais aussi l'économie sectorielle, et on a bien considéré les secteurs qui avaient le plus besoin d'aide. Il y a aussi l'infrastructure publique, mais aussi sectorielle comme je viens de parler de l'éducation. La même chose dans le domaine de la santé en tenant compte des spécificités. Rodrigues n'a jamais été oublié, tout comme les collectivités locales. Et il agit aussi sur le front des prix pour s'assurer qu'une baisse de prix - comme je disais tout à l'heure - que ce soit sur des commodités alimentaires, mais aussi énergétiques, soit passée aux consommateurs, et que surtout l'emploi soit protégé, privilégié de la nécessité de mettre sur pied un mécanisme, de concert avec le secteur privé, pour pouvoir repérer à temps des signes précis. C'est très important. Il faut toujours repérer le plus précocement possible les premiers signes de difficultés des entreprises afin qu'on puisse agir de façon à empêcher les usines, soit de fermer, ou de réduire leurs effectifs. Il n'a pas oublié les plus vulnérables, M. le président, qui risquaient, comme on le sait, en temps de crise, d'en faire les frais plus que nécessaire. Pour cela, il était nécessaire de renforcer les filets protecteurs malgré tout pour ceux qui en avaient le plus besoin. Il a fallu aussi - comme je l'ai mentionné tout à l'heure - ne pas oublier l'effet psychologique. Il faut agir. C'est pour cela que parfois, un ministre des finances doit dire certaines choses à la nation pour que l'effet psychologique ne soit pas étendu outre mesure. M. le président, je dois dire que ce travail, extrêmement sérieux, a été accompli par la mise sur pied de deux comités ministériels ; le premier, présidé par personne d'autre que le Premier ministre lui-même, pour définir et veiller à la réalisation d'une politique qui soit adaptée pour pouvoir améliorer davantage la résilience qui était déjà bonne, afin qu'il puisse continuer à empêcher le choc d'avoir des effets néfastes sur notre économie.

Le deuxième comité, présidé par le vice Premier ministre et ministre des finances lui-même, est sur le *Human Capacity, Solidarity, Physical Infrastructure, Economic Empowerment Committee* pour prendre soin de la formation - essentielle - pour prendre soin de l'*Empowerment* - qui est très important - de l'infrastructure en temps de crise, afin que lorsque la crise est derrière nous, nous soyons prêts à faire face. Ce qui est crucial à l'investissement et, donc aussi, à la création d'emplois. Pour aboutir à ces objectifs bien établis, il a fallu, M. le président, décider d'abord sur des mesures et aussi trouver les moyens pour faire aboutir ce qui avait amené finalement à l'élaboration de ce *additional stimulus package*, qui était basé sur des principes.

◆ Premier principe - accélération de l'implémentation des projets d'infrastructures existants, et du programme d'investissement du secteur public. Et là, nous avons un problème. Je suis sûr que mon ami, le ministre des infrastructures publiques, en parlera, parce que souvent on a les moyens, mais il y a d'autres phénomènes qui viennent nous bloquer. J'en ai fait l'expérience parce que je voulais cette année même changer toutes les toilettes et tout remettre à jour dans toutes les écoles du pays, que ce soit au niveau primaire, pré-primaire ou secondaire. Malheureusement, M. le président, nous avons des difficultés, et je suis frustré quand je vois que l'argent est disponible pour améliorer certaines choses, mais que d'autres raisons, comme notre système de transparence auquel nous sommes très attachés, nous obligent parfois à perdre beaucoup de temps. Donc, on est en train d'y réfléchir ; nous allons revoir notre système, mais cela aboutit quand même à des éléments de frustration.

◆ Deuxième principe - l'accélération aussi en ce qui concerne la formation et le *reskilling* des travailleurs. Comme vous le savez, je suis aussi le ministre responsable du *HRDC*. Nous avons réfléchi sérieusement à la chose et il y a, en ce moment même, des entreprises qui ont besoin de main-d'oeuvre mais qu'on n'arrive pas à en trouver. C'est le paradoxe. Je n'ai pas envie de blâmer qui que ce soit, mais je pense que dans le domaine de l'informatique, par exemple, pour la création d'emplois, il aurait fallu faire beaucoup de choses dans le passé, qui n'ont pas été faites et, aujourd'hui, nous nous retrouvons avec un manque de main-d'oeuvre. La semaine dernière, si je ne me trompe, il y a eu une foire à Paris dans le domaine de l'informatique, où l'île Maurice était représentée. J'ai eu des informations, et je sais qu'il y a des entreprises qui sont casées dans des pays tels que le Maroc, l'Algérie et qui ont eu des difficultés à fonctionner. Ils ont souvent des coupures de courant qui durent de deux à trois jours, et qui jouent contre l'avenir de l'informatique. Je ne vais pas entrer dans les détails, car tout le monde sait pourquoi. Ces entreprises peuvent délocaliser, mais ils ont quand même besoin de 1,000, 1,500, 2,000 employés dans le domaine des *BPOs*, des *call centres*, qu'on n'arrive pas à leur en donner car nous n'avons pas des gens formés en nombre suffisant. Heureusement, que mon collègue, le ministre responsable de l'informatique, est en train d'étudier ce problème sérieusement et rapidement, afin de venir avec un projet pour la formation de ces personnes, un plus grand nombre de personnes à former, avec le concours du secteur privé, son ministère et, bien entendu, le *HRDC*.

◆ Troisième principe - la provision de support aux secteurs affectés, grâce à une assistance technique et financière pour aider à la restructuration des entreprises et le développement de nouveaux marchés. Je préfère ne pas trop m'attarder là-dessus, car j'ai déjà répondu au *Leader* de l'opposition tout à l'heure. Mais, comme on est en état de crise, M. le président, il a fallu quand même trouver les moyens. Mais, les conditions sont là. Il parlait aussi de la transparence.

Nous sommes un pays transparent ; nous savons combien nous sommes attachés à ce phénomène de transparence. Mais nous sommes ici - il y a toute la transparence voulue - et on peut poser toutes les questions. Je suis sûr que les réponses seront données et, bien entendu, il ne faut pas empêcher, vu l'état où nous sommes, à ce qu'on puisse aller à la rescousse de ces entreprises en difficulté parce que de l'autre côté ce sont les travailleurs dont l'avenir est menacé. Donc, pour empêcher les drames familiaux, pour empêcher que les personnes perdent leur emploi, il a fallu quand même prendre des mesures exemplaires.

◆ Quatrième principe: les mesures nouvelles pour stimuler l'investissement, à la fois local et étranger.

◆ Cinquième principe: une meilleure coordination entre les secteurs pour identifier les *bottlenecks* dont je viens de parler tout à l'heure ; il va falloir y remédier. Parfois, on sent la frustration. Je me demande pourquoi, dans les cas difficiles, où le problème de transparence fait défaut, on ne viendrait pas à l'Assemblée pour exprimer notre problème afin que tout le monde l'examine ensemble. Par exemple, on a envie de faire un *dream bridge* qui coûterait des milliards de roupies et qui, à cause des systèmes de procédures, on risque d'attendre longtemps pour le voir aboutir. Je pense que ce serait une bonne chose que, dans des moments où on voit des blocages devant nous, qu'on vienne à l'Assemblée et qu'on demande à l'Assemblée d'en prendre la responsabilité, afin que tous ensemble on puisse réaliser de tels projets.

◆ Sixième principe, M. le président - j'en ai touché un mot tout à l'heure - la restructuration des filets protecteurs pour réduire les coûts administratifs qui sont quand même énormes. Souvent, on laisse passer des choses parce que les coûts administratifs sont exorbitants. On préfère laisser le problème tel quel, parce que si on fait le contraire cela coûterait cher. Il y a aussi la restructuration des filets protecteurs pour augmenter l'assistance aux plus démunis et aux nécessiteux.

M. le président, en ce qui concerne le sixième principe, j'ai touché un mot tout à l'heure sur la restructuration des filets protecteurs pour réduire les coûts administratifs qui sont quand même énormes. Souvent on laisse passer des choses parce que ça coûterait trop en ce qui concerne des coûts administratifs. On préfère laisser le problème parce que si on fait le contraire ça coûterait trop. La restructuration des filets protecteurs est pour augmenter l'assistance aux plus démunis et ceux qui sont vraiment dans la nécessité. Tout cela, M. le président, bien entendu, sans oublier les groupes vulnérables. Nous sommes un gouvernement qui a du coeur ; nous connaissons l'attitude du Premier ministre ; nous connaissons aussi l'attitude de son gouvernement, de l'Alliance sociale et c'est un gouvernement qui voudrait quand même que le train du progrès ne soit pas raté par ceux qui sont dans la difficulté.

M. le président, *L'Additional Stimulus Package* est fait d'un certain nombre de mesures - je ne vais pas entrer dans les détails Vous savez que l'enveloppe est de Rs 10.4 milliard qui correspond à environ 3% du PNB et ce qui équivaldrait, si tout marche comme prévu, à une croissance supplémentaire de 1a 1.5 % annuellement. Donc, cela résume ce que ce *Stimulus Package* équivaldrait. Certaines de ces mesures, M. le président, qui sont contenues dans *L'Additional Stimulus Package* qui a été rendu public au mois de décembre, nécessitent des amendements - et les amendements ont déjà été réalisés par voie de règlements. Mais d'autres

mesures nécessitent aussi des amendements qui sont obligatoires au niveau de l'Assemblée, qui requièrent le vote parlementaire ; et c'est pour cela que ce *package* est présenté devant nous.

Le temps passe, M. le président. J'allais parler du domaine de la construction, du tourisme, la facilitation du *business*, mais je suis sûr que mes collègues ministres qui ont la responsabilité de ces domaines reviendront là-dessus. Juste pour vous dire en terminant, M. le président, que la protection de l'emploi c'est la priorité des priorités.

Je voudrais profiter de cette occasion pour dire quelques mots sur les nouvelles lois du travail, parce que j'ai été le ministre du travail et de l'emploi pendant les trois dernières années et j'ai été à l'origine de ces nouvelles lois du travail. Je voudrais rectifier une attitude et je ferai un appel pressant aux membres de l'opposition de ne pas faire de la démagogie en ce qui concerne ces lois. Je suis sûr que s'ils étaient au gouvernement et avaient la responsabilité, ils seraient bien à l'aise que ces lois du travail continuent dans le sens qu'on a voulu faire.

M. le président, la majorité de ces cas de licenciement qu'on est en train de voir n'est pas l'effet direct de la crise. Le problème du Shibani textile est un problème qui dure depuis plus d'un an. Sans le *Stimulus Package*, nous sommes intervenus pour pouvoir sauver cette entreprise qui a continué à avoir des difficultés. Il y a plusieurs cas comme ceux-là. Il ne faut pas mélanger les pédales ; il ne faut pas mélanger les choses. Au contraire, il faudrait lever les bras bien haut au ciel que les lois ont été promulguées juste avant que la crise ne commence à se faire sentir sérieusement chez nous. Sans ce projet de loi, sans le *Workfare Programme*, qu'est-ce qu'on aurait vu ? Plus de 48,500 emplois sont perdus entre 2000 et 2005. Mes collègues étaient là ; l'honorable Soodhun était à notre place ici.

M. le président, ces personnes ont perdu leur emploi et, malheureusement, ils n'ont pas pu être recasées dans un autre emploi. Allez voir ce qu'ils ont eu. Zéro ! Je prends l'exemple de Winbright.

Les travailleurs ont lutté pendant cinq ans ; ils ont attendu le verdict de la cour ; et quand le verdict est tombé, l'employeur a été demandé de payer 60% de ce que ces travailleurs auraient dû avoir cinq ans avant. Voilà le cas de Winbright qui est un exemple flagrant. Beaucoup de travailleurs n'ont rien eu. En ce qui concerne le cas de Winbright, il fallait compter quand même sur l'intervention du gouvernement pour demander au BPML, qui était aussi un créancier, de laisser 50% de ses avoirs, parce que le créancier passait avant les travailleurs ; on vient de corriger cela. Mais, à ce moment là, le créancier du BPML passait avant les travailleurs. Le BPML a pu agir et les 50% que BPML devait avoir sont allés aux travailleurs; en ajoutant tout cela que les travailleurs ont eu 60% de ce qu'ils devaient avoir six ans avant. Donc, ce sont des lois qui existent ; quand on lit la loi on dit: *bien bon ! Bravo ! Il faut ça même*, c'est ce que disent les syndicats. De grâce ! Messieurs les députés de l'autre côté de la chambre, n'entrez pas dans ce piège. Beaucoup de travailleurs n'ont rien eu. Quand j'étais député de l'opposition, j'ai vu des entreprises fermer leurs portes et je peux vous dire que c'est un drame extraordinaire. Il ne faut pas entrer dans ce piège. Avec le *Workfare Programme* comme vous voyez, les travailleurs ne sont pas sur le pavé du jour au lendemain. Ils reçoivent une allocation mensuelle. Quand on avait fait ce *Workfare Programme* effectivement, nous n'avions pas prévu la crise internationale, sinon, au lieu d'un an, on aurait pu tenir plus longtemps. Mais, on avait pensé qu'un an serait suffisant pour qu'on puisse trouver un emploi pour ceux qui avaient perdu leur emploi. En ce qui concerne la contribution de 1% par les travailleurs, là aussi je pense que c'est de la démagogie.

Cette contribution de 1% reste dans le fonds aux bénéficiaires du travailleur. Nous avons plus de 600,000 travailleurs dans le pays et il n'y en a que 200 à 300 personnes qui ont bénéficié de ce *Workfare Programme*. Il y a environ 2000 personnes qui ont perdu leur emploi, et la grosse majorité de ces personnes ont retrouvé un autre emploi par le biais de ce projet de loi nouveau avec l'intervention de ce que la loi permet. Il y a 300 à 400 personnes dont les cas ont été référés au ministère de la sécurité sociale pour qu'elles puissent bénéficier du *Workfare Programme*. Donc, ces 300 à 400 travailleurs contribuent seulement la moitié de 1%. Il ne faut pas exagérer. Il faut savoir qu'il fallait constituer un fonds et dans lequel fonds, il y a 600,000 travailleurs. On a vu le chiffre de R 14 million par mois la semaine dernière. Le *Leader* de l'opposition fait comme si il ne sait pas que le fonds a été mis sur pied au mois de février. Les travailleurs n'ont contribué que R 14 million, mais ça ne suffit pas pour faire tout le travail, il faut savoir que c'est de la solidarité. Si 1% est contribué par les travailleurs, les 99% sont contribués soit par le gouvernement ou par le secteur privé. Donc, permettez-moi, M. le président, d'avoir quand même essayé de rectifier le tir; et je fais un pressent appel pour que les membres de l'opposition n'entrent pas dans le piège pour aller dans la mauvaise direction.

Mr Speaker, Sir, I was just trying to tell you that in this world which is moving so fast and changing so quickly - and even abruptly I must say - it is absolutely important that we remain pro-active and build enough resilience in our economy. We have started building it; it is there, we have to improve upon that. I am sure that this Stimulus Package, Mr Speaker, Sir, will bear its fruits for the benefit of the entire population. We have to be pragmatic and also realistic; and we are confident, on this side of the House, that there was no better way out in the present circumstances. I call upon the Opposition to be realistic too, not only loyal but also patriotic as well.

Thank You, Mr Speaker, Sir.

Mr P. Jugnauth (First Member for Quartier Militaire & Moka): Thank you, Mr Speaker, Sir. The debates today on the Additional Stimulus Package Bill is giving me the opportunity, in fact, to voice out my opinion on the very model of economic policy that has been adopted by the Minister of Finance since in office. At the outset, Mr Speaker, Sir, I wish to say that I am not at all impressed or magnetised by the cunning and enticing not only speech, but the statements that have been made as regards the management of the national economy and of public finances. I will demonstrate how the Minister's economic endeavours since he took office have a gross private sector bias and I am not going to cite Stiglitz or the European Union or the ADB or any other Professor and I will certainly not go into the theory of - I see the Minister calls it VLUW, probably it could be a theme for a thesis next time, but I am going to cite the Minister himself and his friends and certainly voice out what I have heard from right-thinking people, out there, and certainly voice out the opinion of people generally about the state of affairs that is prevailing right now. In fact, I should start from the presentation by the Minister of the document "Setting the Stage for a Robust Growth". That was presented on 30 August 2005. And from there, up to now - I mean up to the presentation of the Additional Stimulus Package on 20 December 2008 - 41 months have lapsed and all along we have seen one pattern: gifts galore to the private sector, for those who are economically powerful and mere crumbs for the population. And this reminds me of one thing, Mr Speaker, Sir - because I have heard a lot about demagoguery. When I assumed the responsibility as Minister of Finance in 2003, I responded positively to the

first invitation that was made to me by the private sector, to attend a meeting at Plantation House. I remember, I crossed the road from my office to Plantation House. What did the actual hon. Minister of Finance said then? That I was begging to the private sector, that I had become a puppet of the private sector, that I was being dictated by the private sector. I am saying this because I want to compare what is going on now. There had been - and I hope that the Ministers on the other side are aware - a number of committees that have been set by the Minister of Finance. And these committees are being cochaired, Mr Speaker, Sir, by a member of the private sector, *et ce que je trouve incroyable*, that there is a committee on public infrastructure that is being co-chaired by a public officer and a member of the private sector; and I am even being informed that, at times, even when the public officer is not in attendance, the committee is still being chaired by the member of the private sector and it goes on. *Ce que j'appellerai, M. le président, que le gouvernement est en train d'abdiquer à son devoir et ses responsabilités*. And that is why I am not surprised that so much is being given to some people of the private sector today. All along the hon. Minister has been insisting that he is undertaking reforms, which, according to him, were the only possible options. I remember, a Member of this House has even written and criticised the Minister for his fiery remarks, saying that there is no other alternative. And since two years now, he has been saying that the reforms are producing amazing results. We have heard the Minister say that the time has come for an early harvest. And then we heard that there was a bumper crop. Yet, the bare facts today speak for themselves. The economic indicators have deteriorated - in fact, well before the country started to feel the negative impact of the international economic downturn following the financial crisis from the United States, Europe and Asia. The social indicators that show that there has been an impoverishment, is very clearly demonstrated; and I will dwell on all these issues to show that there have been, in fact, a lot of shows, a lot of speeches, a lot of *effets d'annonces*, as regards numerous measures that have been repeatedly brandished over the years. In fact, Mr Speaker, Sir, the Minister should have told the truth to the people and not manipulate figures at times, I would say.

(Interruptions)

Mr Speaker: I am sorry. A charge "Manipulating figures" to an hon. Member is not parliamentary.

Mr Jugnauth: Well, I will say that the Minister should have, at least, told the truth. Et sans détour, M. le président, permettez-moi de venir directement à ces cadeaux, par milliards, que le ministre a consentis aux tout-puissants du secteur privé.

◆ Premier cadeau - la dépréciation volontaire et massive de la roupie en 2006 qui a permis aux gros opérateurs économiques, surtout les secteurs d'exportation et le tourisme d'encaisser plus de 10 milliards de roupies.

◆ Deuxième cadeau - plus de deux milliards d'économie pour les patrons, car on est venu mettre sur pied le *National Pay Council* qui, deux années consécutives, a recommandé une compensation salariale nettement inférieure au taux d'inflation.

◆ Troisième cadeau - trois milliards consentis aux grosses compagnies avec la baisse accélérée de la *Corporate Tax* de 25% à 15%.

◆ Quatrième cadeau - cinq milliards à l'industrie sucrière pour financer le VRS 2 et la centralisation, les fonds venant de l'Union Européenne et injectés dans le budget national. Here, I would like to compare what we did because I was *à l'origine de la réforme dans l'industrie sucrière*. Le VRS 1, the financing was done by the sugar sector, there was no injection of money from Government. I will not go into the details of this. But again, I take note of the change in language of the Minister of Finance, concerning the agreement that had been arrived at between the MSPA and the Government. We were told that the workers, planters would have a share in the power plants, existing and new power plants. In one of the Budget Speeches, I noted that the Minister said: 'workers will only be able to participate in new power plants that are going to be set up'. There is also this decision that was taken, the agreement that there was going to be a consultant who is going to look into the agreement concerning the existing power plants and to come up with a report to see how we are going to make or increase participation of workers and planters. Again, I believe, it is trying to fool people because we all know that this will never happen. And, in fact, it is going to be a waste of money. That's why I believe, Mr Speaker, Sir, that having given so much money to the sugar sector, to the corporates – and I'll come to that probably later because of the general principle, the general philosophy. The thing that I don't agree with is the way the Minister of Finance is going about; there is no equilibrium. He is giving to one, but not enough to the most vulnerable and to the poor.

◆ Cinquième cadeau - 5 milliards sur 10 ans au secteur sucrier avec la hausse du prix du sucre sur le marché local.

◆ Sixième cadeau - 6 milliards de concession fiscale sur les terres que les établissements sucriers vont continuer à morceler suivant le VRS 2.

◆ Septième cadeau - encore 10 milliards d'argent public avec le *Stimulus Package* pour financer le sauvetage des entreprises privée et relancer les activités des opérateurs économiques, notamment à travers des projets d'infrastructures.

Tout cela, M. le président, confirme le courageux et franc commentaire qui a été fait par l'honorable Ms Neeta Deerpalsing qui avait affirmé, avec raison, et je cite –

“Since this Government took office, it has been a one-way street towards the economic elite in terms of handouts.”

Et ajouter à cela, M. le président, le gouvernement est venu avec deux nouvelles lois du travail qui enlèvent certains acquis des travailleurs et permettent aux patrons de *hire and fire* à leur guise. Voilà ce que les reformes du ministre des finances ont apporté en terme de bénéfices aux tout-puissants du secteur privé qui sont aux anges tellement que le ministre sert leurs intérêts. Et je comprends pourquoi. Il y a même certains observateurs des médias qui encensent le ministre des finances.

(Interruptions)

International, je n'en ai pas remarqué.

Laissez-moi citer l'ancien président du *Joint Economic Council* qui a si bien dit d'ailleurs, le 22 mai 2006, lors d'une interview à un journal, et je cite –

« Monsieur Sithanen va dans le sens préconisé par la JEC ».

Fallait-il être plus précis, M. le président, pour situer l'agenda du ministre?

And, on the other hand, let us see what has been the fate of the population with these so-called reforms. Firstly, massive depreciation of the rupee...

Mr Speaker: I expect the hon. Member to connect his speech with the debate, that is, on the stimulus plan.

(Interruptions)

Order!

Mr Jugnauth: Yes, Mr Speaker, Sir, because the Minister has been saying that so much has been done to the people. This is why I am saying what has been done to one sector as compared to the people generally.

First, there is this massive depreciation of the rupee in 2006 that has resulted in soaring prices and inflation.

And we know that the purchasing power has dwindled down dramatically.

Secondly, abolition of subsidies on rice and flour in 2006/2007 Budget and this has added a trauma to the effect of cascading price increases.

Third, abolition of subsidies on SC/HSC examination fees which has further affected certain number of households.

Fourth, inadequate salary compensation, again, which has affected further the purchasing power of the people.

Fifth, the taxation of interests and the introduction of the NRPT which has again fleeced the middle class.

Sixth, the abolition of tax exemptions on housing loans and university fees which has frustrated many families.

Seventh, new labour laws and, again, when I look at the way the Minister of Finance has been functioning, committees were chaired by members of the private sector, meetings on a regular basis with the private sector which I am not objecting to. But there hasn't been - I may be wrong, but the Minister, I am sure, will correct me - any single official meeting with the members of the trade unions. And yet, we know the situation right now.

Eighth, the Stimulus Package doesn't take into account the difficulties faced by the population.

And ninth, overall, there has been a general impoverishment of the people and some people are even living, as the Minister has said himself previously in the Budget, in dire poverty. Now, this is the truth as regards our fellow citizens and I don't see anything to be proud of.

Coming now to economic performance, let me say, without hesitation, that again the Minister has not been telling the whole truth to the people, at the time, in 2007, when he was speaking of early harvest and indulging in auto congratulation for his prowess in economic matters because he is the only one who knows about economy.

(Interruptions)

Apart from economists and doctors, from what I can recall! Because, I am sure he must have seen the Prime Minister sitting by his side probably. But we are here, Mr Speaker, Sir, we are no economists to voice out the mood, the feeling and what people are saying out there.

Let me come to the indicators in 2007 that have been slowly blinking towards the red zone. Inflation had reached a 16-year high of nearly 11%. Public debt had already reached Rs150 billion and even *Moody's* had decided to downgrade the rating of Mauritius from Baa1 to Baa2. The trade deficit had exceeded Rs45 m. Current account balance showed a deficit of nearly Rs14 m. There was a massive capital outflow following the Minister's decision to tax interests. And CSO, again, had emphasised on the impoverishment of the people and the widening of the gap between the poor and the rich.

En vérité, M. le président, le *early harvest* du ministre des finances était attribuable à la dépréciation massive de la roupie en 2006. C'est cette dépréciation qui a véritablement dopé l'économie, mais les problèmes sectoriels et conjoncturels sont restés les mêmes. Permettez-moi, M. le président, de citer, puisque le ministre des Finances aime bien qu'on cite ses collègues économistes. Je voudrais citer un économiste et industrialiste, George Chung Tick Kan qui avait étalé toute la vérité sur le *early harvest* à l'époque, dans une *interview* à la presse. Le 17 septembre 2007, il disait ceci –

“Cette reprise, qu'on qualifie de *early harvest*, me paraissait inévitable, à la suite de la dépréciation de la roupie intervenue l'année dernière quand notre monnaie, dans l'espace de quelques semaines, perdait jusqu'à 20% de sa valeur, face aux monnaies d'exportation, notamment l'euro. J'estime à plus de R 10 milliards de roupies d'injection supplémentaire directe dans le circuit économique depuis cette chute de la valeur de la roupie.”

Encore une fois, une vérité implacable et, dans une autre interview du 27 janvier 2008, le même économiste, George Chung Tick Kan, déclarait et je cite –

“Les mesures des deux derniers budgets n'ont pas eu autant d'effet, pas autant qu'aux effets positifs de la dépréciation spectaculaire de la roupie intervenue il y a plus d'un an.”

Et là, on ne pouvait être plus franc et objectif, M. le président. Pourtant, euphorique comme jamais le ministre des finances lance, au début de 2008 la thèse de *bumper crop*. Il annonce une croissance économique de 6% et, en résumant les débats sur le budget 2008-2009, le 24 juin 2008, il va plus loin en citant le FMI et déclare qu'il est fier que la croissance va atteindre 6.5% à 7%. Bien sûr, il voulait impressionner et dans les faits cette croissance de 6% ne s'est jamais matérialisée. Pour la période 2006-2008, la croissance en moyenne a été de 5,2% et encore une fois, largement dopée par la dépréciation de la roupie.

Le ministre des finances, qui prétend avoir le monopole de l'intelligence sur les questions économiques et financières, avait-il sous-estimé, à ce moment, l'impact que pouvait avoir sur Maurice le cyclone financier à dimension mondiale qui était en gestation ? Lors d'une conférence de presse le 29 mars 2008, laissez-moi rappeler au ministre des finances ce qu'il a dit lui-même: "Maurice peut faire face à la crise internationale", en ajoutant que "grâce à nos réformes économiques et une gestion correcte, nous n'avons aucun risque à court terme". C'était le 29 mars 2008."

En écoutant le ministre du travail, la semaine dernière, répondant à la *PNQ*, j'ai eu la confirmation M. le président, qu'au niveau du gouvernement il y a certaines personnes qui ont cru au ministre des finances, cette thèse qu'il n'y avait pas de problème, que l'économie est résiliente, qu'on pouvait faire face, et le ministre Chaumière avait dit, je cite –

"New Labour Laws were adopted in August 2008 at a time when there was no indication that the financial crisis which originated in the USA would reach our shores".

This is in black and white what the Minister has said. Donc, on a définitivement sous-estimé le ministre des finances, qui est un expert, qui est un économiste lui-même.

(Interruptions)

Je sais qu'il a l'habitude de prendre connaissance de tout ce qui se passe au niveau mondial, il n'a pas pu manquer la déclaration qu'avait faite le président Ben Bernanke, de la *Federal Reserve*, qui avait déjà tiré la sonnette d'alarme et qui avait dit qu'il y aurait une récession mondiale. Instead of taking good note of this warning and speaking the truth on the real state of the economy, the Minister of Finance embarked the whole Government on the road of complacency. From bumper crop, he moved to resilience while keeping quiet on the deteriorating economic indicators. I say this because, Mr Speaker, Sir, the Minister of Finance has not been telling the whole truth on public debts and capital expenditure. In fact, he has changed the way of calculating inflation because we know now that the weight of food items has decreased in the CPI basket. Likewise from the unemployment statistics that are being compiled, these exclude those who merely register themselves at the Business Registration Counter and although the Bank of Mauritius has been warning on the deterioration of fundamentals, again the Minister has chosen to ignore these alerts.

Let me quote again what the Central Bank has rightly said recently in its Monetary Policy Statement. The truth on the real state of the economy presently is as follows: the textile sector is

technically in recession, the tourism sector will be adversely affected. Economic Growth will go down to 2%, inflation at an official rate of 8.8 % is still very high. Current Account Deficit would reach 11.3% of GDP this year and it reached nearly Rs28 billion in 2008. The Trade Deficit would reach 25% of GDP and it had reached a height of Rs60 billion in 2008. Public debt is surging at unbelievable rate reaching Rs170 billion, according to information that I have and the savings rate is expected to collapse to 14.7% this year. Moreover, we know that the hedging operation of Air Mauritius will definitely have an adverse impact on the economy and, I think, this morning, we have got an insight of the amount of money, although the Minister has answered that guarantees are being given, but at the end of the day, if there is any failure, Government will have to foot the bill. Consumers are already paying a high price for the irresponsible hedging saga of the STC as well, because we know how unjustified the recent increase of price of fuel has been; it is the result of losses that have been incurred and consumers are now actually paying for that. When we look at so many enterprises that are facing difficulties, we see that they need support. Of course, I am not going to be demagogical to say that we should not help those enterprises that are facing difficulties.

But, Mr Speaker, Sir, it is not only the enterprises and the private sector, it is also the population, the people generally. When we come up with a Stimulus Package, we should be able to give a helping hand to our fellow citizens as well, but once again, as the Minister has done in the last three budgets, he has failed to ensure fairness and equilibrium between economic and social measures. I would urge the Minister to try to put people first. If the Minister can provide billions of rupees to help the private sector directly through cash inputs and indirectly through infrastructural boost-up, I cannot see why it is impossible, for example, to reintroduce subsidies of some hundred million rupees for SC and HSC examination fees. What prevents the Minister again from exempting custom duties on fuel oil with an objective to bring down electricity tariffs for both enterprises and the population? I did it for two consecutive years, as an interim measure, when I was Minister of Finance in order to help. Again if tax concessions can be granted to enterprises, why can't the Minister remove the burden of the NRPT and interest taxation because these two taxes affect the middle class directly? Why can't the Minister reconsider the tax exemptions that taxpayers use to benefit in the past instead of giving just one sum which is very well below what people use to enjoy as exemptions? Why can't the Minister give exemptions to small planters on the first 60 tons of sugar? In the past, I heard the Minister saying that just a few people take advantage of this. If this is so, why not reinstate it? Again, why can't the 15% tax that has been imposed on cooperative societies be suspended? This is a new tax on cooperative societies that has been brought by the Minister, and again, in difficult times, when we are coming up with a package for those who are in difficulty, but much better off than the cooperative societies. Why can't we do something for the cooperative societies? What about the succession dues? I think this is really regrettable and we know, in the past, how difficult it has been for a number of families, children who have had to inherit and through succession duties they have had to sell so many of their wealth and thanks to the Government of Sir Anerood Jugnauth at that time, succession duties were abolished, but again the Minister has reintroduced some kind of succession dues. Again, why can't we suspend or remove this? If there is a necessity to suspend the solidarity tax, I think there is a contradiction *parce qu'on est en train d'exempter ceux qui en ont mais, en même temps, on est en train de prélever un levy de 1% sur les salaires des travailleurs*. What a contradiction, what a contrast ! What a contradiction in terms of the

philosophy of Government! Why not reconsider a number of amendments which have been brought at the time of debate in relation to labour laws?

We made an appeal, in fact, to request Government to show consideration to the workers who are in a difficult situation, to the trade unions also and to recall a National Tripartite Committee in order to discuss the ways and means to review certain aspects of the labour laws.

M. le président, je crois dans les réformes et dans un monde qui évolue sans cesse, à un rythme où il y a non seulement une compétition sans merci mais dans des circonstances où nous faisons face à une crise financière. Il faut continuellement réformer, rectifier, ajuster pour ne pas se laisser dépasser. A l'époque, j'ai eu le courage de venir avec la réforme au niveau de l'industrie sucrière. C'était en juin 2001. En dépit d'une campagne virulente qui avait été menée contre moi à l'époque *and needless for me to recall the lengthy articles that were written by the then hon. Minister of Finance about the reforms that I was proposing to the country*. Je savais que je pouvais convaincre à l'époque et j'ai fait la part des choses, c'est-à-dire, la réforme avait une dimension humaine. J'ai aidé le secteur corporatif, mais je n'ai pas oublié les travailleurs et les planteurs à l'époque. C'est cet équilibre qu'il faut garder en tête pour sauver et relancer non seulement l'industrie sucrière mais le pays. Il faut bien qu'on *give due consideration to workers because they are the ones who contribute to the factors of production*. Le problème, M. le président, avec les réformes du ministre, c'est qu'il y a ce manque d'équilibre entre l'économie et le social. Il applique une politique économique ultra libérale qui fait beaucoup de tort à la population. Il a cette obsession - peut-être par orgueil - de croire qu'il est en train de bien faire. Il croit qu'il a toujours raison mais malheureusement, comme je l'ai entendu dire ce matin, en répondant à une question sur la DBM, qu'il a déjà décidé et qu'il est *the right person at the right place, but he himself nominated the former Chairman also. If he can prove to be wrong, he can prove to be wrong again and again. I am sure that, unfortunately for the country, we will see that the measures that have been taken are not going to give the expected or the said results that the Minister has enumerated*.

M. le président, l'un des objectifs déclaré du *stimulus package*, est de sauver des emplois. D'ailleurs, le ministre des finances a parlé de *burden sharing* en soulignant que le secteur privé ne devrait pas licencier en contrepartie à l'aide financière fournie par le gouvernement. Or, le secteur privé, à en croire certaines personnes qui parlent en faveur du secteur privé, n'ont jamais pris d'engagement pour sauver des emplois coûte que coûte. D'ailleurs, j'ai entendu l'ancien président de la Chambre d'industrie et de commerce dire que, pour lui, préserver l'emploi n'est pas sa priorité. Au contraire, s'il faut fermer certaines entreprises, il vaut mieux le faire. C'est grave parce que le gouvernement a cela comme objectif, c'est-à-dire, aider ces entreprises avec la priorité de vouloir préserver les emplois.

Donc, je pense qu'il faut qu'il y ait un engagement formel de la part de ces entreprises qui vont bénéficier des largesses du gouvernement.

Why can't the Government, and why can't the Minister spell out clearly in the law that jobs have to be preserved? One of the main conditions should be spelt out instead of relying on discussion. *Tout à l'heure j'ai entendu le ministre dire que, lorsqu'on va injecter de l'argent, they cannot dismiss people without talking to us. Do you think you are going to prevent them*

from dismissing people? Ultimately, this is what is going to happen. They are going to give reasons and Government will not be able to do anything about it. I fully agree that there should be burden sharing. Government is going to help them. In return, they should undertake. It cannot be on mere discussion or on mere talking. There should be legislation. I also suggest, Mr Speaker, Sir, that shares, owned by Government by way of equity participation in companies benefiting from the Stimulus Package, be sold to the public once the companies are afloat. Hence, in fact, broadening the investment base in line with the Government's declared policy of democratising the economy. Mr Speaker, Sir, the Stimulus Package provides incentives to the private sector to boost construction. Households also need and deserve that kind of stimulus. And again, when shall the Minister reintroduce the income tax exemption on housing loans that he abolished in 2006/2007 Budget? Let us also be fair towards the households who are striving to build their homes!

Mr Speaker, Sir, as far as the Bill that we are debating is concerned, the Minister is now rushing and extending the Programme-based budgeting to local authorities and Rodrigues. Frankly, I think this is the wrong approach, as has been rightly pointed out by the Director of Audit in his 2008 Report. Let me quote the Director of Audit who has, in fact, cautioned the Minister on the dangers of this rush.

I quote –

“PBB is a new system where successful countries have taken years to implement. This reform requires the collaboration and the cooperation of one and all, (...) It involves a shift of mindset and a change in culture. These changes do not happen overnight. It is a long process and there is no need to rush, but to be steady and systematic (...). The overarching aim should be gradual, cumulative progress year on year. Otherwise the whole reform will run the risk of remaining an administrative exercise.”

As usual, the Minister will not listen. With such a mindset, I am sure we are going to be faced with trouble in the future. Mr Speaker, Sir, let me come to capital expenditure which I referred to earlier in my intervention and, again, I'll cite what the Minister said in the 2007/2008 Budget Speech. He told us that one of the five main themes of his Budget was the following, I quote –

“Second, invest massively to maintain, rehabilitate and build up public infrastructure.”

Impressive words indeed, Mr Speaker, Sir, but one year has lapsed since he presented the 2008/2009 Budget. Capital expenditure, in fact, Mr Speaker, Sir, was so flimsy that he had recourse to what I call voodoo accounting through an anticipated ESE, again to hide the truth. Again, he came with six funds that were supposed to kick-off large capital investments. Nothing actually happened thereafter; and in December he came back again with those six funds in the Stimulus Package saying, once more, that the big infrastructural spending will start soon. Till now, nothing has started. Can the Minister tell us where those massive investments are? Can he show us a single major infrastructural project which has a national dimension that has been realised since July 2005? The Minister will answer later on.

(Interruptions)

I don't see anyone. All that have been said are just words and they have remained words until now. In fact, the Minister should know. We are now one year before the general elections. So, if the Minister is saying that they are already kick-starting, I don't think we are going to have the realisation of any project before the general elections. The Minister used to be fond of citing MCB Focus. In fact, they expressed serious concern on the absence of public infrastructural investments. Let me quote what the MCB Focus says –

“En raison du retard dans la réalisation des projets gouvernementaux déjà programmés, il est à craindre que ces faiblesses, si elles ne sont pas résolues, entravent les opérations dans plusieurs secteurs, empêchant du même coup l'expansion économique projetée dans les années à venir.”

What MCB Focus feared, actually happened. *L'économie souffre aujourd'hui des échecs, des bluffs et, certainement, on ne peut nier l'impact négatif, ajouté à cela, de la crise financière sur l'économie mauricienne, mais le fait demeure que l'économie nationale a été mal gérée. Il y a eu beaucoup d'effets d'annonces, beaucoup de bluffs pour dire tout ce temps que tout allait pour le mieux ; la situation était déjà mauvaise avant que ne s'abat la crise internationale et la population est la grande perdante.* This is the truth, Mr Speaker, Sir. We can only hope that the Minister realises that no Stimulus Package will succeed if due consideration and support is not given to the people of this country who are, in fact, the ones who produce the wealth. I will state again that there should be a human approach in economic planning and management. Without such approach we are bound to fail and I wish that the Minister will take on board a number of suggestions.

Before concluding, Mr Speaker, Sir, I request the Minister also to enlighten the House on the so-called large investment that has been mentioned in the Bill for which the tax and other provisions are being waived – because large investment is not defined. Let us draw lessons from what has happened in the near past when there have been allegations, whenever there has been discretion given to a Minister. Why I am saying this now is because we don't want to end up - and I don't think Ministers also want to end up - in a situation where they have to decide on what is large investment, what kind of tax concessions, as a result of that large investment, will have to be given, and probably, be in a position where again allegations can be made against them.

I also wish to be enlightened on the emergency procurement provisions that are proposed in the Bill through amendments to the Public Procurement Act.

With these words, Mr Speaker, Sir, I thank you.

Mr Sayed-Hossen: Sir, I move that the debate be now adjourned.

Mr Varma rose and seconded.

Question put and agreed to.

Debate adjourned accordingly.

ADJOURNMENT

The Prime Minister: Sir, I beg to move that this Assembly do now adjourn to Tuesday 14 April 2009, at 11.30 a.m.

The Deputy Prime Minister, Minister of Renewable Energy and Public Utilities (Dr. R. Beebeejaun) rose and seconded.

At 8.30 p.m. the Assembly was, on its rising, adjourned to Tuesday 14 April 2009, at 11.30 a.m.

WRITTEN ANSWERS TO QUESTIONS

LE VIGILANT - TROU FANFARON - MOORING

(No. B/96) 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 boat Le Vigilant which has recently disappeared from the Quai D, Port Louis, where it was anchored, 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, indicating the outcome thereof.

Reply: I am informed by the Commissioner of Police that no case has been reported to the Police with regard to the disappearance of the boat, Le Vigilant. Consequently, no Police inquiry has been initiated in the matter.

I am further informed by the Mauritius Revenue Authority that the boat Le Vigilant was sold by the Customs and Excise Department to Golden Cruise Ltd on 13 February 2004 following a tender exercise. However, after six weeks, the company declined to take delivery of Le Vigilant and requested for the cancellation of the contract and the refund of the amount paid.

The Customs and Excise Department did not entertain the request of Golden Cruise Ltd. and on 02 February 2006, the company served the Comptroller of Customs with a Complaint with Summons.

The vessel had remained moored at Trou Fanfaron fishing port. I am further informed that the case was taken at the intermediate court for the first time on 24 September 2008 and the next hearing is scheduled for 29 April 2009.

COMPLAINTS INVESTIGATION BUREAU - PROSECUTED CASES

(No. B/97) Mrs F. Jeewa-Daureeawoo (Third Member for Stanley & Rose Hill) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to reported complaints made against Police officers, he will, for the benefit of the House, obtain from the

Commissioner of Police, information as to the number thereof which have been prosecuted, since 2007 to date, indicating the outcome thereof in each case.

Reply: I am informed by the Commissioner of Police that 11 complaints against Police Officers reported to the Complaints Investigation Bureau during the period 01 January 2007 to 02 April 2009, have been referred to Court for prosecution.

I am also informed that in two cases, two Police officers have been fined and the remaining nine cases are still pending before the courts.

MBC - DIGIPRO - FILMS PRODUCTION

(No. B/98) Mr G. Gunness (Third Member for Montagne Blanche & GRSE) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the DIGIPRO company, he will, for the benefit of the House, obtain from the Mauritius Broadcasting Corporation, information as to if the company is making use of the staff members and the materials of the Corporation for the production of films.

Reply: I am informed by the Director-General of the Mauritius Broadcasting Corporation that DIGIPRO is not making use of staff members of the Corporation for the production of films, nor has the Corporation authorized any member of its staff to work for DIGIPRO.

I am further informed by the Director-General of the MBC that the materials belonging to the Corporation have not been utilized by DIGIPRO for the production of films.

POLICE FORCE - PROMOTION EXERCISE

(No. B/99) Mrs M. Martin (Second Member for Curepipe & Midlands) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to promotion in the Police Force, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to –

- (a) if such exercises are carried out on a yearly basis, and
- (b) the number of Police officers who have been promoted yearly since 2006 to date, indicating –
 - (i) the criteria used, and
 - (ii) if the Police officers have been required to undergo written examinations.

Reply: I am informed by the Commissioner of Police that promotion in the Police Force falls within the purview of the Disciplined Forces Service Commission (DFSC). Recommendations for promotion are made to the DFSC by the Commissioner of Police when vacancies arise.

As regards part (b) of the Question, I am informed that in 2006, 528 Police officers were promoted, in 2007, 26 officers and in 2008, 253 officers. Out of these 807 officers, 488 were promoted after taking part in competitive examinations for Sergeants and Inspectors.

I am further informed that the Disciplined Forces Service Commission Regulations 14(2) specify the criteria used for promotion. These are professional and technical qualifications, experience and suitability for the office in question. Seniority is also a criterion although not the sole one.

ICAC - MRS I. M. - FACT FINDING COMMITTEE

(No. B/100) Mr J. C. Barbier (Third Member for GRNW & Port Louis West) 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 Chairperson of the Committee.

Reply: As the House is aware, Sir Victor Glover, former Chief Justice, was appointed to inquire into an allegation against Mrs I. Manrakhan, Board Member of the ICAC. Sir Victor has received an amount of Rs85,000 as honorarium for his services. He was paid a gross amount of Rs100,000. A sum of Rs15,000, representing 15% tax, has been deducted therefrom at source, before payment.

POLICE OFFICERS - SHIFT SYSTEM

(No. B/101) Dr. P. Ramloll (Third Member for Quartier Militaire & Moka) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the duty roster basis of Police officers presently in force, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if it needs to be reviewed to enable the Police Force to improve its services and make it more result-oriented.

Reply: I am informed by the Commissioner of Police that the hours of duty of Police officers vary depending on their posting and the nature of their duties. All Divisions and Branches, except the Special Mobile Force, the Special Support Unit and the National Coast Guard, operate on a three-shift system of eight hours each. In cases of urgency or acute shortage of manpower, Police stations and Branches may operate on twelve-hour shifts.

According to the Commissioner of Police, the shift system put in place is designed in such a way that it ensures a round the clock Police presence on the ground. It appears to be the best system to ensure result-oriented and effective performance of the Force. It is thus not envisaged to review the present system for the time being.

METEOROLOGICAL SERVICES - CLIMATE CHANGE – TRAINING COURSES

(No. B/102) Dr. P. Ramloll (Third Member for Quartier Militaire & Moka) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the climate change, especially in relation to heavy rainfall registered in the recent months, he will, for the benefit of the House, obtain from the Meteorological Services, information as to the latest technology available thereat for weather forecast, indicating if the staff members have been trained thereon and if so –

- (a) the number thereof;
- (b) the countries in which they obtained the training, and
- (c) the duration thereof.

Reply: Let me first remind my colleagues that climate change and global warming have become unequivocal issues which are regularly being raised in almost all major international conferences and meetings. The United Nations General Assembly has, at both of its sessions of 2007 and 2008, addressed the issue of climate change and stressed on the need for mitigation and adaptation measures.

In Mauritius, I am informed by the Meteorological Services that the trends and negative impacts of climate change are already being felt. Assessment reports and in-depth analysis of climate data have clearly indicated that climate change will give rise to rainfall of increasingly higher intensities resulting in flash floods and atmospheric conditions are now more conducive to the occurrence of some extreme weather events such as torrential rains and strong winds. Maximum temperatures with high humidity combined with warm seas and other meteorological parameters are all favourable to high rates of evaporation and formation of clouds resulting in heavy rainfall.

I am advised by the Director of the Meteorological Services that the latest technology available at the Department for weather forecast includes satellite imagery and access to numerical computer models generated by the International Meteorological Centres such as the United Kingdom Meteorological Office and Meteo France International.

In so far as part (a) of the Question is concerned, I am informed by the Director of the Meteorological Services that eleven out of eighteen members of the professional grade have undergone specialised or advanced training in the analysis and use of satellite information and interpretation and in the use of numerical weather information generated by computer models. To keep abreast of developments and change in technology, these officers have also benefited for the last two years from *ad hoc* training courses organized, among others, by the World Meteorological Organisation, the Intergovernmental Oceanographic Commission and the European Meteorological Satellite Agency.

In addition, over the last two years, in-house training courses have been held at the Meteorological Services for the benefit of the entire professional grade by international experts.

As regards the seven other officers, they have been recruited during the past three years and some are still undergoing training in meteorology and weather forecasting in India.

With regard to part (b) of the Question, the specialized training courses were held in a number of countries including United Kingdom, France, Australia, India and Egypt. The *ad hoc* training courses were held in China, South Africa, Kenya, Egypt, Thailand, USA, Botswana, Ghana, France, Reunion Island and Seychelles.

Regarding the last part of the Question, the specialised training courses followed range from ten to thirteen months whilst the *ad hoc* courses are of a duration of one to two weeks. The in-house training courses held at the Meteorological Services are generally of one week's duration. Besides, the Report of the Fact Finding Committee on Ex-Lola flooding, which I have just tabled contains a series of recommendations for the strengthening of the operational capacity of the Meteorological Services. These recommendations are under consideration.

On the other hand, the House will recall that following the severe flooding of the 26 March 2008, the Government of Mauritius approached the World Meteorological Organisation for expert assistance to –

- (a) study the processes, systems and methods of weather forecasts of the Mauritius Meteorological Services;
- (b) assess the adequacy of meteorological equipment, and
- (c) advise on existing human resource capabilities.

The WMO Expert Team submitted its Report in November 2008 and the recommendations contained in the Report are already being implemented by the Meteorological Services.

SEXUAL OFFENCES ON MINORS - CASES

(No. B/103) Mrs F. Labelle (Third Member for Vacoas & Floreal) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to cases of sexual offences on minors, since 2007 to date, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number of reported cases of –

- (a) sexual intercourse, and
- (b) rape.

Reply: I am informed by the Commissioner of Police that since 2007 to date, 238 cases of sexual intercourse with minor and 101 cases of rape on minors have been reported. Sexual Offences on minors is a social ill, which must be addressed by all stakeholders of the society. In a holistic approach to deal with the problem, the Ministry of Women's Rights, Child Development and Family Welfare is preparing a consolidated Children's Bill which will regroup all provisions existing in various Acts of Parliament relating to the protection of the child. Furthermore, in an effort to reinforce the protection afforded to children, the Judicial Provisions Act 2008 was

passed, *inter alia*, to make provision for tougher penalties in relation to rape, attempt upon chastity and illegal sexual intercourse on minors.

The Police, on its part, focus not only on intervention but also, on prevention of sexual abuse. The Police Family Protection Unit and the *Brigade pour la Protection des Mineurs* regularly carry out sensitisation campaigns in primary and secondary schools on protective behaviours and personal safety.

MADAGASCAR - EXTRAORDINARY SUMMIT - SWAZILAND

(No. B/104) Mr N. Bodha (First Member for Vacoas & Floreal) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the recent Extraordinary Summit held in Swaziland in relation to the political crisis in Madagascar, he will state if he had a “*tête-à-tête*” meeting with Mr Marc Ravalomanana, former President of Madagascar and, if so, indicate –

- (a) the outcome thereof, and
- (b) the proposals made at the Summit to find a solution to the present crisis.

Reply: With regard to part (a) of the Question, I did not have a “*tête-à-tête*” with Mr Marc Ravalomanana, although he spoke to me over the phone in Swaziland to solicit the support of Mauritius to his cause and he was invited to the lunch given to the Heads of State and Heads of Government by His Royal Highness, the King of Swaziland.

Mr Ravalomanana was allowed to address the Summit. He gave a detailed assessment of the situation in Madagascar and made a case of restitution of his Presidency and reinstatement of his Government.

Regarding part (b) of the Question, the Summit –

- (a) condemned the unconstitutional action that has led to the illegal ousting of the democratically-elected Government of Madagascar and called for an immediate restoration of constitutional order in the country;
- (b) decided not to recognize Mr Rajoelina as President of Madagascar and urged him to vacate the Office of the Presidency as a matter of urgency to pave the way for unconditional reinstatement of Mr Ravalomanana;
- (c) called upon the international community not to recognise the appointment of Mr Rajoelina, and
- (d) decided that, in the event of non-compliance with the above decisions, SADC shall, in collaboration with African Union and United Nations, consider other options to restore constitutional normalcy.

The Executive Secretary of the SADC commended Mauritius for the positive role played by our Ambassador in Madagascar during the crisis. He helped the Executive Secretary to make arrangements for the son and daughter-in-law of President Ravalomanana to leave Madagascar safely.

DANGEROUS DRUGS (AMENDMENT) ACT 2008 - REPORTED CASES

(No. B/105) Mr N. Bodha (First Member for Vacoas & Floreal) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to Subutex, he will, for the benefit of House, obtain from the Commissioner of Police, information as to the number of reported cases thereof as at todate, following the recent amendments brought to the Dangerous Drugs Act in relation thereto, indicating, in each case, if any suspect has been brought before court.

Reply: I am informed by the Commissioner of Police that following the coming into operation of the Dangerous Drugs (Amendment) Act 2008 on 20 February 2009, 101 cases of “Possession of Dangerous Drugs (Buprenorphine)” have been established by the Police and 107 suspects have been arrested. Of the 107 suspects, 68 have been bailed out and 39 are still on remand in jail. All cases are still under inquiry.

COAST MARINE COMMANDER - POST

(No. B/106) Mrs D. Perrier (Fourth Member for Savanne & Black River) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the post of Coast Marine Commander, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if it is proposed to hold interviews and, if so, when.

Reply: I am informed by the Commissioner of Police that there is no post of Coast Marine Commander on the establishment of the Mauritius Police Force or of the National Coast Guard.

The second part of the question, therefore, does not arise.

RODRIGUES - HELICOPTER - POSITIONING

(No. B/107) Mr J. Von-Mally (Fourth Member for Rodrigues) asked the Prime Minister, Minister of Defence and Home Affairs whether, he will consider posting a helicopter in Rodrigues –

- (a) for search in case of disappearance at sea;
- (b) to help in the surveillance of our Exclusive Economic Zone, and
- (c) to combat drug trafficking.

Reply: The positioning of a Helicopter Detachment in Rodrigues to undertake search and rescue operations, drug trafficking and other policing tasks will be surely advantageous to the Police Force.

However, I am informed by the Commissioner of Police that this project requires the following additional manpower and logistic support –

- (a) technical manpower (about 13 technicians);
- (b) three pilots, and
- (c) specialist tools, ground support and handling equipment.

Besides, the positioning of the helicopter in Rodrigues will require the construction of a hangar, a helipad and appropriate link ways.

In this connection, I am informed that a plot of land of an extent of 8,000 m² was vested in the Police Department for the construction of the Plaine Corail Police Station and the Helicopter Detachment infrastructure. The helicopter project was temporarily deferred until the completion of the Plaine Corail Police Station.

However, as I had indicated in reply to PQ No. B/554, an Advanced Light Helicopter will be acquired by the end May 2009. This helicopter, I am informed, is able to undertake a three-hour non-stop flight from SSR International Airport, Plaisance to Rodrigues. Besides a new multi-purpose Offshore Patrol Vessel will also be acquired to replace Le Vigilant, which will be decommissioned.

DRIVING LICENCE - POLICE STATIONS

(No. B/109) Mrs S. Grenade (Second Member for GRNW & Port Louis West) asked the Prime Minister, Minister of Defence and Home Affairs whether, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if persons have been arrested over the past three years for failing to produce their driving licence to police stations on being required to do so and, if so, indicate the number thereof.

Reply: According to Section 46(1) of the Road Traffic Act, a person driving a motor vehicle on a road is required to produce his driving licence or photocopy thereof at the request of a Police officer. Section 46(3) stipulates that where the driver fails to produce his driving licence or a photocopy thereof, the Police officer may request him to produce his driving licence within five days at such Police station as the driver may specify.

Any person who fails to produce his driving licence within the delay prescribed under section 46 (3) of the Act shall commit an offence and shall, on conviction, be liable to a fine not exceeding Rs 2,000.

I am informed that no person has, over the past three years, been arrested purely and simply for failing to produce his driving licence at a Police station.

However, section 134(1)(b) of the Road Traffic Act, on the other hand provides that a Police officer may, without warrant, arrest a person who, on being required under the Act to give

his name and address, refuses to do so or gives a name and address which the police officer has reasons to believe is false.

By not producing his driving licence and, at the same time, not giving his correct name and address, a person deprives the Police of the means of knowing, at the time a request is made to him by police, his name and address. In such cases, the person can be arrested for breach of Section 134(1)(b) of the Road Traffic Act.

I am informed by the Commissioner of Police that over the past three years five persons have been arrested and brought to the Police station for the purpose of ascertaining their names and addresses. Those persons also become liable to be prosecuted for failing to produce their driving licences. But, the grounds for their arrest is failure to give their names and addresses.

SADC-GENDER AND DEVELOPMENT - RATIFICATION

(No. B/110) Mrs D. Perrier (Fourth Member for Savanne & Black River) asked the Prime Minister, Minister of Defence and Home Affairs whether he will state if Mauritius has signed the 2008 Southern African Development Countries Protocol on Gender and Development.

Reply: Mauritius has, to date, not signed the Southern African Development Countries (SADC) Protocol on Gender and Development because the said Protocol provides for positive discrimination which is contrary to what is provided in our Constitution.

At the SADC Summit held in Sandton, South Africa, in August 2008, I drew attention of the Summit to the legal constraints of Mauritius in this respect. It is worthwhile to note that the Constitution, we adopted at the time of our accession to independence in 1968, confers equal rights to all citizens irrespective of gender. If we were to adopt a system of affirmative action, we would need to amend our Constitution

ORAL HERITAGE – PRESERVATION AND PROMOTION

(No. B/138) Mrs M. Martin (Second Member for Curepipe & Midlands) asked the Minister of Education, Culture and Human Resources whether he will state if a repertoire of our Oral heritage has been carried out and, if so –

(a) by whom; and

(b) the measures put in place for the preservation and promotion thereof.

Reply: Before replying to this Question, I would like at the outset to clear one issue to avoid any confusion.

Oral heritage, is, in fact, only one component of a broader process known as “Intangible Cultural Heritage”. The 2003 Convention for the “Safeguarding of Intangible Cultural Heritage”, to which Mauritius is a party, defines Intangible Cultural Heritage as the practices, representations, expressions, as well as the knowledge and skills, that communities, groups and, in some cases, individuals recognise as part of their cultural heritage.

According to the Convention, Intangible Cultural Heritage is manifested in the following domains –

- (i) oral traditions and expressions, including language as a vehicle of the Intangible Cultural Heritage;
- (ii) performing arts (such as traditional music, dance and theatre);
- (iii) social practices, rituals and festive events;
- (iv) knowledge and practices concerning nature and the universe, and
- (v) traditional craftsmanship.

In Mauritius, we have inherited substantial age-old traditions and rituals from our ancestors pertaining to the birth of the child, his first day including the giving of names, songs and other rituals in connection with marriage ceremonies, forms of original sega and other forms of communications regarding costumes and food items for particular occasions.

These constitute an invaluable treasure, which needs to be safeguarded. In this respect, a comprehensive inventory has to be carried out to identify those Intangible Cultural Heritage that are worthy of being listed on the National and World Heritage Lists.

The National Heritage Fund, which, operates under the aegis of my Ministry and is the national body to handle heritage issues, is presently working on a project to compile an inventory, as comprehensive as possible, of Intangible Cultural Heritage for Mauritius and Rodrigues as well.

However, pending the finalisation of that inventory, I am informed that there are several other institutions closely linked to heritage issues, which are already working for the preservation and promotion of Intangible Cultural Heritage.

I am tabling a list of these institutions and their achievement in this field.

The national inventory of Intangible Cultural Heritage Project by the National Heritage Fund will integrate all the works carried out so far. It will also identify and capture other areas of Intangible Cultural Heritage not yet covered.

With regard to the preservation of these works, I have to inform the House that all information collected is being preserved in the following forms: written, audio, visual and digitalised, as appropriate. Preservation of Intangible Cultural Heritage has already started and is an ongoing process as just mentioned earlier.

As far as promotion is concerned, same is being done through –

- (i) publications, seminars, conferences and survey reports;
- (ii) documentaries and radio programmes conducted jointly with the MBC;

- (iii) heritage information have been and is being integrated in the school curriculum of students;
- (iv) the organisation of activities in collaboration with socio cultural organisations on sirandanes and folk songs.

Once the National Inventory is completed, I intend to formulate a long-term strategy for the promotion of Intangible Cultural Heritage in a structured manner.

NTC - FINANCIAL SITUATION

(No. B/139) 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 National Transport Corporation, he will –

- (a) for the benefit of the House, obtain from the Corporation, information as to its financial situation, and
- (b) state if there is any plan for the privatisation thereof

(Withdrawn)

AIR MAURITIUS - CHAIRPERSON

(No. B/140) Mr S. Naidu (Third Member for Beau Bassin & Petite Rivière) asked the Vice-Prime Minister, Minister of Tourism, Leisure and External Communications whether, in regard to Air Mauritius Ltd., he will, for the benefit of the House, obtain from the Company, information as to if a new Chairperson has been appointed thereat and, if so, indicate his or her terms and conditions of appointment.

(Withdrawn)

MAURITIUS TELECOM - VOLUNTARY EARLY RETIREMENT SCHEME

(No. B/141) Mr A. Ganoo (First Member for Savanne & Black River) asked the Minister of Information and Communication Technology whether, he will, for the benefit of the House, obtain from the Mauritius Telecom, information as to if it has recently implemented a Voluntary Early Retirement Scheme for its employees and, if so, indicate –

- (a) the reasons therefor;
- (b) the terms and proposals thereof, and
- (c) the number of employees who have retired under the Scheme.

(Withdrawn)

**NATIONAL PAY COUNCIL -
SALARY COMPENSATION**

(No. B/142) Mr A. Ganoo (First Member for Savanne & Black River) asked the Minister of Labour, Industrial Relations and Employment whether, in regard to the determination of the salary compensation for the year 2009-2010, he will state if Government proposes to reconvene the tripartite meeting and do away with the National Pay Council.

Reply: The House would recall that, as announced in the Budget Speech of June 2006, the National Pay Council (NPC), which had retained the spirit of tripartism, was set up in May 2007. From then NPC has established itself and made recommendations on the quantum of salary compensation to be paid for the years 2007-2008 and 2008-2009. The recommendations of the NPC were approved by Government and the quantum of the salary compensation payable was generally accepted by the workers.

The question of doing away with NPC and reverting to the tripartite meeting, therefore, does not arise.

SCHOOL CHILDREN - SCHOOL BUSES - ROAD WORTHINESS

(No. B/143) Dr. P. Ramloll (Third Member for Quartier Militaire & Moka) asked the Minister of Public Infrastructure, Land Transport and Shipping whether, in regard to transport facilities for school children, he will, for the benefit of the House, obtain from the National Transport Authority, information as to –

- (a) the number of school buses deployed island-wide, indicating;
 - (i) their lifetime, and
 - (ii) their road worthiness.

Reply: I am informed by the National Transport Authority that there are 378 trips which are effected in the morning and 486 in the afternoon specially for the conveyance of students. This is the dedicated school service. Besides, the other buses also convey students.

All these buses are duly licensed, they are roadworthy and they are aged less than 16 years. In fact, the median age of these buses is 6.7 years.

It must be pointed out, however, that the National Transport Corporation is, exceptionally, operating 41 dedicated buses, which are providing school services only. These buses will be allowed to operate up to the age of 18 provided they successfully undergo a strict examination to ascertain their roadworthiness.

WORLD FOOTBALL CUP, SOUTH AFRICA - INTERNATIONAL TEAMS - TRAINING CAMPS

(No. B/144) **Dr. P. Ramloll (Third Member for Quartier Militaire & Moka)** asked the Minister of Youth and Sports whether, in regard to the World Football Cup to be held in South Africa, he will state the number of international football teams which will be stopping over in Mauritius before participating therein.

Reply: I will reply to PQ Nos. B/144 and B/163 together as they refer to the same issue.

The finals of the World Cup will be held in May/June 2010 in South Africa. The preliminaries are currently ongoing within the six Confederations of FIFA and it is only in November 2009 that the qualified teams will be known.

It is, therefore, too early to confirm which teams will be coming to Mauritius for training camps prior to World Cup 2010.

However, I am advised by the Mauritius Football Association that teams like Argentina, Spain, Italy and Germany have expressed their wish to hold training camps in Mauritius, before proceeding to South Africa.

But, the confirmation will depend on –

- (i) the teams that qualify for World Cup 2010;
- (ii) the drawing of lots in December 2009, and
- (iii) availability of proper training grounds in Mauritius.

In this respect, it is imperative that our football pitches be upgraded to meet international standards. Thus George V, Anjalay Coopen and Auguste Vollaire Stadiums have been identified to be upgraded.

I also wish to inform the House that Government has set up a Ministerial Committee to look into infrastructural and other facilities to be provided to foreign football teams willing to train in Mauritius in the context of World Cup 2010.

HOLLYROOD SSS - PHASE II - IMPLEMENTATION

(No. B/145) **Mrs F. Labelle (Third Member for Vacoas & Floreal)** asked the Minister of Education, Culture and Human Resources whether, in regard to the Hollyrood State Secondary School, he will state if his Ministry is contemplating the implementation of the Phase II of the construction plan and, if so, when works are likely to start and, if not, why not.

Reply: I would like to inform the House that in respect of Hollyrood State Secondary School (SSS), Phase II of the construction project has been completed and Phase III of the project has been completed as well.

According to the Ministry of Public Infrastructure, Land Transport and Shipping (MPI), procedures are underway in relation to Phase IV of the project, which will be completed by August 2010.

RODRIGUES REGIONAL ASSEMBLY - COMMISSIONERS - PETROL ALLOWANCES

(No. B/146) Mr A. Nancy (First Member for Rodrigues) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether he will, for the benefit of the House, obtain from the Rodrigues Regional Assembly, information as to –

(a) the total amount of money paid in terms of petrol allowances by the Assembly to the Commissioners for periods –

- (i) September 2002 to July 2006;
- (ii) August 2006, and

(b) if the Commissioners were asked to refund the petrol allowances paid.

(Withdrawn)

PONT PERRIER, GLEN PARK & LA DIGUE, LA VANILLE - RECONSTRUCTION

(No. B/147) Mr N. Bodha (First Member for Vacoas & Floreal) asked the Minister of Environment and National Development Unit whether, in regard to the Pont Perrier at Glen Park and La Digue at La Vanille in Constituency No. 16, Vacoas and Floréal, he will state if any project in regard thereto have been earmarked in this year's budget and, if so, when are they expected to be implemented.

Reply: A contract for the reconstruction of Perrier Bridge at Glen Park at the cost of Rs2.85 m. has been awarded to Best Construct Co. Ltd on 14 January 2008 and works started on 28 January 2008. The works are practically completed since January this year.

As for La Digue at La Vanille, at the request of hon.Minister Bappoo and hon. Sinatambou, Deputy Speaker, part of the handrailing has been reconstructed and soil has been carted away. However, due to regular rainfall there may be further accumulation of soil. It is contemplated to do further cleaning works by the Municipal Council of Vacoas/Phoenix in collaboration with the Living Environment Unit of my Ministry.

AIR MAURITIUS LTD. - BUSINESS OPERATING PLAN

(No. B/148) Mr N. Bodha (First Member for Vacoas & Floreal) asked the Vice-Prime Minister, Minister of Tourism, Leisure and External Communications whether, in regard to the rescue plan to bail out the Air Mauritius Ltd., he will, for the benefit of the House, obtain from the Company, information as to if a redundancy plan has been approved by the Board and is

being implemented and, if so, indicate if foreign officers, namely pilots and other technical staff, are being made redundant to cut costs.

Reply: I am informed by Air Mauritius Ltd., that following the implementation of a revised operating pattern and business operating plan, the Company is addressing its staffing issues in the following manner –

- (a) granting of leave without pay and introduction of part-time work in specific cases to both local and expatriate pilots
- (b) renewal of contract of expatriate pilots on new terms and conditions;
- (c) non-renewal of the contract of a few expatriate pilots, and
- (d) termination of contract of some expatriate pilots.

As of today, there is no redundancy plan for the Mauritian employees of the company.

ROCHE BOIS - FISH LANDING STATION

(No. B/149) 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 landing station at Roche Bois, he will state if the development in the port is having any incidence thereon and, if so, the remedial measures that will be taken in relation thereto.

Reply: I am advised by the Mauritius Ports Authority that the development project in the port will have no impact on the activities of the fishermen and the operation of the Roche Bois Fish Landing Station.

LES SALINES, PORT LOUIS - FISH HAWKING PLACE

(No. B/150) 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 proposed project for a fish hawking place at Les Salines, Port Louis, he will state where matters stand.

(Withdrawn)

STATE TRADING CORPORATION - DOUBLE-HULK VESSEL

(No. B/151) Mr A. Ganoo (First Member for Savanne & Black River) asked the Minister of Business, Enterprise and Co-operatives whether, in regard to the proposed purchase of a double-hulk vessel by the State Trading Corporation, he will, for the benefit of the House, obtain from the Corporation, information as to where matters stand.

(Withdrawn)

SURINAM/CHEMIN GRENIER - BUS SERVICE

(No. B/152) Mr A. Ganoo (First Member for Savanne & Black River) asked the Minister of Public Infrastructure, Land Transport and Shipping whether he will state if he has taken cognizance of a petition, dated 15 December 2008, from the inhabitants of Rivière des Galets, Surinam, and of Chemin Grenier, complaining of bus transport facilities along the coastal area from Surinam to Rivière des Galets for being irregular and causing prejudice to the inhabitants of the region and, if so, the remedial measures his Ministry proposes to take.

Reply: I have received a copy of a petition dated 15 December 2008 from the *Mouvement Civique de Chemin Grenier* which I referred to the National Transport Authority on 27 January 2009 for investigation and report.

The National Transport Authority investigated into the representations made and found out that –

- (i) the National Transport Corporation provides a regular bus service on Route 6 (Curepipe-Rivière des Galets), Route 8 (Souillac- Baie du Cap), Route 133 (Curepipe-Choisy) and route 197 (Port Louis-Rivière des Galets), along the main road which passes through the localities of Surinam, Chemin Grenier including Chamouny at an average frequency of 15 minutes during peak and 25 minutes during off-peak hours, and
- (ii) the National Transport Corporation also provides a bus service at specific times between Curepipe and Pointe aux Roches.

I am also informed that the National Transport Corporation is not eager to provide a new service between Rivière des Galets and Surinam along the coastal road arguing that the demand is too low and also because the inhabitants can easily catch regular bus services along the main road which is 1 km away from the coastal villages.

The situation will be closely monitored and adjustments will be made if so required.

DOMESTIC VIOLENCE - SENSITISATION PROGRAMME

(No. B/153) Mrs F. Labelle (Third Member for Vacoas & Floreal) asked the Minister of Women's Rights, Child Development and Family Welfare whether, in regard to the sensitisation programme for the alleviation of domestic violence, she will state –

- (a) how it is being implemented;
- (b) the targeted audience; and
- (c) the resource persons available.

Reply: With regard to part (a) of the question, I would like to inform the House that besides conducting monthly sensitisation programmes, through talks/workshops across the island and through radio programmes, my Ministry has published a series of Information, Education and Communication materials in terms of pamphlets/booklets which have been disseminated among the public at large.

The collaboration of the Mauritius College of the Air has also been sought for the mounting of short films to sensitise the population on our services and strategies adopted to combat domestic violence.

Moreover, with the implementation of the National Action Plan to Combat Domestic Violence 2007, which necessitates the need to sensitise and change attitudes to combat domestic violence, my Ministry has enlisted the collaboration of the Council of Religions. In this connection, a workshop was organised on 25 November 2008 with a view to taking on board the various religious organisations on the issue of domestic violence.

Religious bodies being influential groups, can pave the way to reduce the incidence of domestic violence.

In December 2007, my Ministry launched an anti-violence campaign '*2008: L'Année Sans Violence*' and with the collaboration of our stakeholders we conducted a series of awareness campaigns on issues related to domestic violence.

With a view to strengthening our network, my Ministry has also sought the collaboration of the Ministry of Local Government, Rodrigues and Outer Islands, the Ministry of Social Security, National Solidarity and Senior Citizen Welfare & Reform Institutions and the Ministry of Environment and National Development Unit at a workshop organised on 02 April 2009. The objectives were to organise wider awareness programmes amongst the community on our services and on issues related to domestic violence. Through this partnership, officers working in Municipalities, District Councils, Community Centres, Social Welfare Centres and Citizens Advice Bureaux have been requested to organise awareness programmes at community level so as to reach a wider segment of our population. A calendar of activities has been worked out by officers to sustain the campaigns and same will be implemented once they have obtained approval from their respective organisations.

Concerning part (b) of the Question, the targeted audience for our sensitisation campaigns are women, men, youth and children, the elderly, stakeholders working towards the elimination of domestic violence, and they include NGOs and civil society organisations.

As regards part (c) of the Question, the Resource Persons are mainly from –

- (i) my Ministry itself, that is, Family Counselling Officers, Family Welfare & Protection Officers, Psychologists and Legal Resource Persons, and

- (ii) other Governmental bodies and NGOs having expertise on issues related to domestic violence.

HOTELS - CANVASSERS - PERMIT

(No. B/154) Mrs L. D. Dookun-Luchoomun (Third Member for La Caverne & Phoenix) asked the Vice-Prime Minister, Minister of Tourism, Leisure and External Communication whether, in regard to the canvassers, he will state –

(a) the number thereof who have been granted permits, region-wise, and

(b) if complaints have been registered in relation to acts of malpractices carried out by these people.

Reply: Following various representations and complaints received against persons who were involved in canvassing activities in front of hotels, provision was made in Tourism Authority Act 2006, as subsequently amended in 2008, for the issue of a canvasser permit in order to regulate and control the activities of canvassers.

However, in order to ensure that the activities of the canvassers do not tarnish our image as an up-market quality tourist destination, the Tourism Authority decided, in the first instance, not to issue canvasser permit but only provisional attestations, on a pilot basis, to eligible applicants with a view to determining what best arrangements could be put in place and conditions imposed, so that canvassers who are issued with a permit do not unduly harass tourists.

I am informed that, accordingly, 25 provisional attestations were issued as follows –

- (i) Black River – 18
- (ii) Pamplemousses – 5
- (iii) Rivière du Rempart – 2

These provisional attestations which are of a duration of three months were first delivered in May 2007. On expiry of these attestations in July 2007, some were, thereafter, renewed till January 2008. No new application has since been entertained by the Tourism Authority.

In light of the experience gained and feedback received, my Ministry is now working on a new policy with regard to the activities of canvassers.

As regards part (b) of the Question, I am informed that concerning persons duly licensed, only one complaint has been registered at the Tourism Authority. However, the Authority has registered 21 complaints against persons who are carrying out canvassing activities illegally. All these complaints have been forwarded to the Commissioner of Police and *Police du Tourisme* for investigation. Investigation is ongoing

NHDC UNITS - SEIZURE

(No. B/155) Mrs D. Perrier (Fourth Member for Savanne & Black River) asked the Minister of Housing and Lands whether, in regard to the NHDC units, he will, for the benefit of the House, obtain from the National Housing Development Company Ltd., information as to the number thereof which has been seized by the Company, since July 2007 to date, island-wide.

(Withdrawn)

DIVORCED MOTHERS (LESS THAN RS10,000 MONTHLY) - ASSISTANCE

(No. B/156) Mrs D. Perrier (Fourth Member for Savanne & Black River) asked the Minister Of Women's Rights, Child Development and Family Welfare whether, in regard to the divorced mothers earning less than Rs10,000 monthly and not in receipt of any alimony from the ex-spouse, following a court order when the divorce was pronounced, she will state if her Ministry proposes to take any measures to come to their assistance.

Reply: I am informed by the Ministry of Social Security, National Solidarity and Senior Citizen Welfare & Reforms Institutions that divorced mothers may be granted social assistance under the Social Aid Act provided that they have insufficient means to provide for themselves and their dependent children. Moreover, to encourage female-headed single parent households to take up employment in the formal sector, Government also provides a special allowance of Rs700 per dependent child (aged between three months and 5years), in addition to the social aid to such households, provided that total income from employment and the social aid does not exceed Rs7,500 per month.

Failure to pay alimony is an offence. Under Criminal Code Section 261 (1) - any person who, having been judicially ordered to pay alimony to his spouse or children, voluntarily fails, during two months to pay the full amount of alimony so ordered to his spouse or children, shall commit an offence and shall on conviction be liable to a fine not exceeding Rs 5000 and to imprisonment not exceeding one year. I have been informed that for the period January - December 2008, 138 cases of failure to pay alimony were reported to the Police Department.

Divorced mothers, not in receipt of alimony from ex-spouse following a court order, are provided free legal advice and counseling at the six Family Support Bureaux of my Ministry on procedures to be followed to seek redress under such circumstances. Family Counselling Officers and Psychologists of my Ministry also convene both divorcees for mediation at the Family Support Bureaux to attempt a peaceful settlement to the problem of failure to pay alimony.

ROGRIGUES - OPTIC CABLE

(No. B/157) Mr J. Von-Mally (Fourth Member for Rodrigues) asked the Minister of Information and Communication Technology whether, in regard to the connection of Rodrigues to an optic cable like EASE or SEGANET, he will state where matters stand.

Reply: I wish to refer the hon. Member to reply made to PQ. No. B/1332 on 25 November 2008.

As matters stand today, there are a number of optical fibre submarine cables initiatives in the sub-Saharan African Regions as well as in the Indian Ocean, among others the EASSY which is a NEPAD initiative while the SEGANET, that of the Indian Ocean Commission.

On 16 December 2008, the Government of Mauritius became a party to the IOC initiative when I, along with other Ministers of the IOC Member States signed a protocol in Madagascar pertaining to the implementation of this project.

The main objective of the Protocol is to facilitate and or commit the parties to the construction and operation of the SEGANET on open access principles. It further provides for the setting up of a special purpose entity for carrying out the construction, ownership and operation of the proposed Regional Network.

As per the provisions of the Protocol, once the various mechanisms would be in place and investment secured, the project will be implemented which will benefit both Mauritius and Rodrigues. At this stage, I wish to assure the hon. Member that connectivity with the SEGANET optical fibre submarine cable would be extended to Rodrigues, as well.

MOUNT ORY/MOTORWAY M1 -ROAD PROJECT

(No. B/158) Mr P. Jugnauth (First Member for Quartier Militaire & Moka) asked the Minister of Public Infrastructure, Land Transport and Shipping whether, in regard to the road project elaborated in 2004 to link Mount Ory to Motorway M1, he will state if the project is still on the Government infrastructure programme and, if so, if it will be implemented, indicating when.

Reply: The construction of a grade separated junction at Mount Ory was initiated as far back as 1998. However, its implementation has been postponed in view of the fact that the Motorway M1 is already acutely congested and it would be difficult to inject additional traffic into the northbound carriageway without causing an accumulation of traffic within the village of Mount Ory itself, with all the inconvenience it will cause.

Government is in the process of implementing a number of projects to alleviate the congestion on the Motorway such as Terre Rouge-Verdun-Ebène Link Road, the Port Louis Ring Road, the Harbour Bridge and the Bus lane on M1 as well as the Busway. I am pleased to inform the hon. Member that tender for the widening of Motorway M1 to provide a bus lane between

Pailles and Caudan has already been launched and works are due to start around June this year. This project is expected to alleviate the traffic congestion on that road.

I wish to add that the Road Development Authority had invited bids for the construction of a footbridge in November 2008 for the safe crossing of pedestrians near Coleville Deverell Bridge. Unfortunately, at the closing date for submission no bids were received. The project is now being lumped with a second footbridge on the motorway near Food Canners and bids are expected to be invited for implementation during the coming financial year.

SUGAR SECTOR - VRS PACKAGE - LAND ALLOCATION

(No. B/159) Mr P. Jugnauth (First Member for Quartier Militaire & Moka) asked the Minister of Agro Industry, Food Production and Security whether, in regard to the ex-employees of the sugar sector who have benefitted from the first Voluntary Retirement Scheme package, he will state the number thereof who have received the title deed of the plot of land allocated to each of them.

Reply: The implementation of VRS I started in December 2001 and the total number of workers who voluntarily terminated their contract of employment was 8,207. Some 70 sites over a total extent of 806 *arpents* of land were earmarked for allocation to the beneficiaries.

As at date, 7,558 title deeds have been handed over to the beneficiaries for 66 sites. More than 90 percent of these deeds were remitted during the period 2006 to 2008.

The four remaining sites are Beau Champ (Bel Ombre), Trois Boutiques, St Aubin and Union. The situation is as follows –

- (i) For Beau Champ, the drawing of lots were effected on 06 November 2008. 132 title deeds are under preparation at the Notary's office.
- (ii) Infrastructure works on site at Trois Boutiques have been completed. The drawing of lots exercise has been effected and Morcellement Permit will be issued once CWA clearance is obtained. Title deeds will be prepared thereafter.
- (iii) Infrastructure works on the site at St.Aubin have been completed except for some outstanding works with respect to CWAoffsite piping works. Once, CWAClearance is obtained, theMorcellement Permit will be issued and the preparation of title deeds will be undertaken.
- (iv) Regarding Union, a new site has been identified because the workers have not accepted an initial site which has already been developed. The Morcellement Board has issued the Letter of Intent to Union Sugar Estate in November 2008. Infrastructure works will start in May 2009. As per the Letter of Intent,

these works should be completed within 15 months as per the provisions of the S.I.E. Act 2007.

MAURITIUS SUGAR PLANTERS - ASSOCIATION/GOVERNMENT DEAL - LAND ACREAGE

(No. B/160) Mr P. Jugnuth (First Member for Quartier Militaire & Moka) asked the hon. Minister of Agro Industry, Food Production and Security whether, in regard to the deal that was signed in December 2007 with the Mauritius Sugar Planters Association, he will state the acreage of land –

- (a) obtained by Government, as at to date, indicating their location, and
- (b) the acreage that has so far been allocated to the small planters.

Reply: I indicated in my reply to PQ No. B/1222 last year that the deal concluded between Government and the Mauritius Sugar Producers Association in December 2007, *inter alia*, provides for the grant of 2,000 *arpents* of land for social housing projects and agricultural diversification. The share allocated for food security through agricultural diversification is 1,000 *arpents*.

My Ministry has since last year, worked out the land requirements for agricultural diversification based on projects submitted in the context of the Food Security Strategic Action Plan. A first demand for 267 *arpents* was made to the Steering Committee chaired by the Secretary to Cabinet and Head of the Civil Service. The request has, in principle, been approved and the plots of land already identified and assessed for their agricultural suitability with respect to crop and livestock activities. These are located at Belle Vue Rouge Terre, La Chaumière, Deep River Beau Champ, Mon Désert Alma, FUEL, La Rosa and Riche en Eau.

I would like to mention that the agricultural projects to be implemented on the 1,000 *arpents* of land should be in line with the objectives set in the Food Security Strategic Plan launched by my Ministry in January 2009. The lands will be allocated to farmers associations or groups who would undertake agricultural production that would enhance our food sufficiency and security. A Project Implementation Unit established to monitor the implementation of Strategic Plan is working out the land requirements for different projects submitted. My Ministry is in the presence of applications for land from various agricultural operators covering more than 2,000 *arpents* for projects related to production of food crop, maize, fodder, pig breeding, dairy farms and women empowerment.

PUBLIC DEBTS - BREAKDOWN

(No. B/161) Mr P. Jugnauth (First Member for Quartier Militaire & Moka) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether he will state –

- (a) the level of total public debts, including domestic and foreign debts of para stats as at to date in absolute terms, and

(b) the breakdown of total public sector debts.

Reply: Government debt amounted to Rs120,557 m. and parastatal debt stood at Rs21,067 m. As a result the level of total public debt, which is the sum of Central Government debt and parastatal debt totaled Rs141,524 m. as at 31 December 2008.

Of these debts, Rs120,345 m. were financed domestically and the remaining Rs 21,179 m. financed from external sources.

However, debt figures in absolute terms do not capture the evolution of debt sustainability which is the measure that really matters. It is for this reason that all countries in the world and all international institutions always and invariably measure debt as a proportion of GDP. The same principle applies for the budget deficit. It is always computed as a proportion of GDP.

And these ratios show clear improvements of debt sustainability since 2005. For example, as a ratio of GDP total public sector debt has been reduced from 68.8% in 2005/06 to 57% for 2007/08 and to 53.6% at December 2008. The OECD benchmark is 60%, which means that we have brought the public sector debt ratio from above the benchmark in 2005 to below the benchmark today, which is a marked improvement in debt sustainability.

Similarly, we have improved, considerably the sustainability of central government debt by bringing it down from 55.7% of GDP in 2005/06 to 49% in 2007/08 and to 45.6% at end December 2008.

It should be pointed out that the absolute level of debt grew by around Rs10 billion per year between 2000 and 2005. However, the average increase since July 2005 has been around Rs4 billion per annum.

SPORTS COMPLEXES - FACILITIES

(No. B/162) Mrs S. Grenade (Second Member for GRNW & Port Louis West) asked the Minister of Youth and Sports whether, in regard to the facilities of the sports complexes which are being made available to the public, he will state the rates applied therefore.

Reply: The Ministry of Youth and Sports owns around 50 sports complexes which, amongst others, include football playgrounds, swimming pools, gymnasiums and tennis courts. These sports complexes are made available to the public, Sports Federations, local Authorities, schools, hotels and private firms and other clubs at different rates (or freely of cost) depending on the user, the time allocated and the sports infrastructure.

The information relating to the rates applied to the public is being tabled.

WORLD CUP 2010 - FOOTBALL GROUNDS - TRAINING CAMP FACILITIES

(No. B/163) Mrs S. Grenade (Second Member for GRNW & Port Louis West) asked the Minister of Youth and Sports whether, in regard to the World Cup 2010 to be held in South Africa, he will state if some local football grounds are being upgraded to provide training camp facilities to the international teams which are participating therein.

(Vide reply to PQ No. B/144)

GANESH MANDIR, QUARTIER MILITAIRE - DRAINS & PAVEMENTS

(No. B/164) Mr S. Dayal (Second Member for Quartier Militaire & Moka) asked the Minister of Environment and National Development Unit whether he is aware of the problems in relation to the drains at the Shivala, known as Ganesh Mandir, at l'Espérance, Quartier Militaire, and if so, will he state –

- (a) the remedial measures he proposes to take, and
- (b) if he will consider constructing pavements where necessary.

Reply: I have been informed by the Moka/Flacq District Council that the accumulation of water near the Ganesh Mandir at L'Espérance, Quartier Militaire is due to the poor gradient and deposit of silt.

Subject to wayleave being obtained from the owners, the Moka/Flacq District Council would establish a new alignment and construct a new drain along the existing access up to the nearby rivulet.

With respect to part (b) of the Question, the Road Development Authority will consider the provision of footpath and drains along the main road during the financial year 2010.

IVTB CENTRE, NICOLAY ROAD - STUDENTS - LIST

(No. B/165) Mr S. Lauthan (Third Member for Port Louis Maritime & Port Louis East) asked the Minister of Education, Culture & Human Resources whether, in regard to each of the courses run by the Industrial and Vocational Training Board Centre at Nicolay Road, since its implementation to date, he will, for the benefit of the House, obtain from the Board, information as to a list of the students enrolled, indicating their respective addresses.

(Withdrawn)

**FERRARI ROAD, SAINT PIERRE -
ROAD REPAIRS**

(No. B/166) Mr S. Lauthan (Third Member for Port Louis Maritime & Port Louis East) asked the Minister of Local Government, Rodrigues & Outer Islands whether he is aware of the deplorable state of the Ferrari Road at Circonstance, Saint Pierre, and if so, will he, for the benefit of the House, obtain from the Moka/Flacq District Council, information as to the remedial measures that will be taken.

(Withdrawn)

PLAINE VERTE GARDEN - UPGRADING

(No. B/167) Mr S. Lauthan (Third Member for Port Louis Maritime & Port Louis East) asked the Minister of Local Government, Rodrigues & Outer Islands whether, in regard to the Plaine Verte Garden, from the Paul & Virginie Street to the Diego Garcia Street, he will, for the benefit of the House, obtain from the Municipal Council of Port Louis, information as to if consideration will be given for –

- (a) an increase in the number of –
 - (i) lighting points;
 - (ii) benches;
 - (iii) dustbins;
 - (iv) entrances, and
- (b) the upgrading of the pond found in the centre of the garden, in view of the increasing number of visitors thereat at night.

(Withdrawn)

ROSAN AND CORINGA STREETS, CITÉ MARTIAL - DRAINS

(No. B/168) Mr S. Lauthan (Third Member for Port Louis Maritime & Port Louis East) asked the Minister of Environment and National Development Unit whether, in regard to the proposed construction of a 165-metres drain along the Rosan and Coringa Streets, Cité Martial, he will state where matters stand.

(Withdrawn)

SUGAR SECTOR - VRS II - BENEFICIARIES

(No. B/169) Mrs L. D. Dookun-Luchoomun (Third Member for La Caverne & Phoenix) asked the Minister of Agro Industry, Food Production and Security whether, in regard to the Voluntary Retirement Scheme II, he will state –

- (a) the number of beneficiaries thereof;
- (b) the amount of money disbursed in terms of compensation, and

(c) if plots of land have been earmarked.

Reply: With regard to part (a) of the Question, 6,627 workers have benefited from the Voluntary Retirement Scheme II.

With regard to part (b), Rs3.1 billion have been paid as compensation to these workers.

With regard to part (c), 63 sites covering a total area of around 650 arpents have been identified and agreed upon by the employers and the workers for eventual allocation as land compensation.

FOOD ITEMS - DUTIES

(No. B/170) Mrs L. D. Dookun-Luchoomun (Third Member for La Caverne & Phoenix) asked the Minister for Consumer Protection and Citizens Charter whether, in regard to the food items on which duties, customs tariffs and Value Added Tax have been removed, he will state the number and type thereof.

Reply: (The Vice-Prime Minister, Minister of Finance & Economic Empowerment): I am informed by the Mauritius Revenue Authority that out of 733 customs tariff lines for food items, excluding alcoholic beverages, 95%, i.e. 700 tariff lines for food do not attract customs duty. Furthermore, 62 %, i.e. 452 out of the 733 tariff lines for food items are not subject to Value Added Tax.

As regards, the types of food items that are not subject to Customs duty or VAT, the list is being tabled. However, a full list by tariff lines in respect of food items is available on the website of the Mauritius Revenue Authority.

PETROLEUM PRODUCTS - HEDGING CHARGES

(No. B/171) Mrs L. D. Dookun-Luchoomun (Third Member for La Caverne & Phoenix) asked the Minister of Business, Enterprise and Cooperatives whether, in regard to petroleum products, he will state the hedging charges paid by customers for every litre thereof purchased since the last Automatic Pricing Mechanism exercise.

Reply : I would refer the hon. Member to the reply made to PQ No. B/29 where it was mentioned that a hedging provision of Rs3.00 per litre in the price structures of both Mogas and Gas Oil has been included since 01 November 2008. Furthermore, I have been informed by the State Trading Corporation that there was no gain or loss for March and April APM exercises.

