



REPUBLIC OF MAURITIUS

FOURTH NATIONAL ASSEMBLY

**PARLIAMENTARY**

**DEBATES**

**(HANSARD)**

**FIRST SESSION**

**TUESDAY 10 NOVEMBER 2009**

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**MAURITIUS**

**Fourth National Assembly**

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**FIRST SESSION**

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**Debate No. 27 of 2009**

**Sitting of Tuesday 10 November 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. Office of Mr Speaker -**

The Report of the Electoral Boundaries Commission on a review of the boundaries of the Constituencies – 2009.

**B. Prime Minister's Office -**

Certificate of Urgency in respect of the following Bills -

- (i) The Open University of Mauritius Bill (No. XIX of 2009); and
- (ii) The Food and Agricultural Research Council (Amendment) Bill (No. XX of 2009).

**C. Ministry of Finance and Economic Empowerment -**

- (a) The Excise (Amendment of Schedule) (No. 3) Regulations 2009 (Government Notice No. 122 of 2009).
- (b) The Gambling Regulatory Authority (Mauritius National Lottery) (Lottery Games) Regulations 2009 (Government Notice No. 123 of 2009).
- (c) The Customs (Export Licence for Sugar to European Community) Regulations 2009 (Government Notice No. 124 of 2009).
- (d) The Land (Duties and Taxes) (Amendment of Schedule) Regulations 2009 (Government Notice No. 125 of 2009).
- (e) The Investment Promotion and Protection Agreement (United Republic of Tanzania) Regulations 2009 (Government Notice No. 131 of 2009).
- (f) The Financial Services (Consolidated Licensing and Fees) (Amendment) Rules 2009 (Government Notice No. 132 of 2009).
- (g) The Annual Report and Audited Accounts of the Bank of Mauritius for the year ended 30 June 2009.

**D. Ministry of of Public Infrastructure, Land Transport & Shipping -**

The Annual Report of the National Transport Corporation for the Financial Year 2005/2006.

**E. Minister of Industry, Science and Research -**

The Securities (Licensing) (Amendment) Rules 2009 (Government Notice No. 133 of 2009).

**F. Ministry of Education, Culture and Human Resources –**

The Films Regulations 2009 (Government Notice No. 126 of 2009).

**G. Ministry of Health & Quality of Life -**

The Traditional Medicine Board (Ayurvedic and Other Traditional Medicines Institutions) (Amendment No. 2) Regulations 2009 (Government Notice No. 127 of 2009).

**H. Ministry of Consumer Protection and Citizens Charter -**

The Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 10) Regulations 2009 (Government Notice No. 128 of 2009).

## ANNOUNCEMENT

### ELECTORAL BOUNDARIES COMMISSION – REPORT

**Mr Speaker:** Hon. Members, on 30 September last, at 3.30 p.m., the Chairman of the Electoral Boundaries Commission and the Electoral Commissioner remitted to me the Report of the Electoral Boundaries Commission on a Review of the boundaries of the Constituencies – 2009 which was immediately sealed by the officers of the Electoral Boundaries Commission in my Office. The Report was kept under lock and key.

For the sake of confidentiality, the Chairman of the Electoral Boundaries Commission, after consultation with me, decided not to have other copies of the report printed for the circulation in the House this morning before it is laid on the Table of the National Assembly.

Now that this is being done, copies are now being printed by the Government Printer, Printing Office, under the personal supervision of the Chairman of the Electoral Boundaries Commission and Mr Georges Robert, member of the Commission.

However, two copies have been printed in house this morning and sealed at the Electoral Boundaries Commission. They have been handed over to me this morning at 11.00 a.m. by the Chairman of the Electoral Boundaries Commission and the Electoral Commissioner and are meant for Dr. the hon. Prime Minister and the hon. Leader of the Opposition respectively.

Copies for hon. Members will be made available at lunch time.

Copies will also be available for the press at the Office of the Clerk after lunch time.

## ORAL ANSWERS TO QUESTIONS

### SALARY COMPENSATION

**The Leader of the Opposition (Mr P. Bérenger)** (*By Private Notice*) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether he is aware that there has been a loss in the purchasing power of the employees of the public and private sectors, of the old-age pensioners and of the social aid recipients, since 2005 to date and, if so, will he state if –

(a) any compensation will be paid as from 01 January 2010 and, if not, why not, and

- (b) Government will now agree to go back to the tripartite forum used in the past to determine the salary compensation to be paid.

**The Vice-Prime Minister, Minister of Finance and Economic Empowerment (Dr. R. Sithanen):** Mr Speaker, Sir, with your permission, I am also replying to PQ No. B/1142 from hon. Dulloo.

Mr Speaker, Sir, in spite of the difficult economic situation we inherited in 2005 and the international crisis and the various shocks that we have had to cope with, we have done a lot to protect and improve purchasing power. We have introduced many policies to preserve and to enhance purchasing power.

Mr Speaker, Sir, the overall impact of our policies has been not only a preservation of purchasing power but, in fact, there has been an increase.

- (i) From 2005 to 2009 average earnings has risen faster than inflation. Average earnings, Mr Speaker, Sir, rose by 39.6 percent whilst inflation was 28.8 percent, manifestly an increase in purchasing power;
- (ii) GDP per capita has risen by more than half since 2005 to reach almost US\$7,000 today;
- (iii) over the same period, consumption per capita has risen by 54 percent;
- (iv) we have provided free transport to old aged and to students;
- (v) we have increased the subsidy on flour from Rs400 m. to Rs700 m., a rise of 75 percent;
- (vi) purchasing power has also increased because we have doubled the subsidy on cooking gas from Rs300 m. to Rs600 m.
- (vii) we have broadened income and food aid support to over 100,000 citizens of our country;
- (viii) we have increased disposable income, thus purchasing power, by reforming income tax. We have introduced a flat rate of only 15 percent to replace the top rate of 30 percent currently. Moreover, threshold has been increased. As a result, purchasing power has been increased by removing 36,600 out of the 72,000 taxpayers from the tax net and reducing the tax payments for the remaining taxpayers. Indeed, Mr Speaker, Sir, only 7 percent of employees today pay tax.

In fact, we have one of the lowest tax rates in the world and also one of the lowest ratios of taxpayers;

- (ix) we have improved purchasing power of the elderly by restoring the Basic Retirement Pensions to all those who have reached the age of 60;
- (x) we have shown compassion to those most in need and the Government, Social Aid and other components of our Social Safety Net, we have been adjusted their compensation to preserve and increase purchasing power, and last, but not least,
- (xi) we have paid the PRB in one go, thereby significantly improving the purchasing power of some 106,000 public sector officers and pensioners and their families also have benefited.

Mr Speaker, Sir, as Members of the House are no doubt aware, the established practice has always been to provide compensation based on the inflation of the previous year whilst taking into account other factors as productivity, employment and capacity to pay. A salary compensation was awarded by the National Pay Council to compensate for Financial Year 2008/2009 with effect from 01 July 2009 for 12-month period through 30 June 2010.

As a result, in principle, the next compensation will fall due as from 01 July 2010. Normally, the NPC should meet in May 2010 to determine the compensation for the 12 months 01 July 2009 to 30 June 2010 to be paid as from 01 July 2010.

Mr Speaker, Sir, there is no compelling reason to modify the date for compensation to make the period of compensation coincide with the financial year. In fact, there is a similar situation regarding salary increments of public officers. It is clearly a matter of policy to determine what if any changes are desirable in this area. Moreover, a switch in the system is not as straightforward and several technical issues need to be addressed.

Let me give two examples. If compensation is to be shifted from 01 July/30 June to 01 January/31 December, there will need to be a transition with compensation for the 6-month period. Inflation for this period can be computed as the six months 01 July 2009 to 31 December 2009 compared with 01 July 2008 to 31 December 2008. However, some experts don't agree with this. They are suggesting that it should be calculated for the 6 months 01 July 2009 to 31 December 2009 compared with the six months 01 January 2009 to 30 June 2009. Some international experts disagree with both. They think the compensation period should be the 6 months 01 July 2009 to 31 December 2009 relative to the 12 months 01 July 2008 to 30 June



2009. Mr Speaker, Sir, until late the very last time we were trying to sort out which method has to be adopted because there are clearly three ways of computing inflation during that transition period.

Clearly, these issues need careful technical consideration before a responsible policy decision can be made. Similar issues arise, Mr Speaker, Sir, with respect to the computation of productivity on a 6-month basis as opposed to what we have done up to now to calculate productivity on a one-year basis.

Mr Speaker, Sir, concerning the salary compensation mechanism, it would be irresponsible to return to the tripartite system which failed to deliver jobs and economic growth.

In the current system, the NPC also takes into account the rights of the unemployed. Let me state very clearly and loudly, in case some of us might forget, that the unemployed also have fundamental rights to decent jobs. We need to create jobs and return to high growth as the only way to sustain an increase in purchasing power for all workers and to bring the unemployed back to productive employment. As the economy grows and jobs are created, the demand for labour will provide workers the bargaining power to sustained increase in their purchasing power and standard of living without fuelling inflation. Indeed, Mr Speaker, Sir, this approach is consistent with the advice obtained by the previous Government from Professor Lim, an expert commissioned to advise on pay issues, who warned that the existing set up is a vicious cycle of pay chasing prices chasing pay chasing prices. We want sustainable increases in purchasing power and not the illusion of more money that is eroded immediately by higher prices.

Mr Speaker, Sir, in the new wage compensation system under the leadership of the NPC, workers can expect salary increases that will raise their living standards. Indeed, the flexibility that has been introduced has ensured that, unlike in the past, workers can benefit as soon as their sectors and firms recover rather than having to wait for the whole economy to recover. This has been reflected in the increase in earnings, GDP and consumption that I referred to earlier on.

Mr Speaker, Sir, the process has clearly borne its fruits, with the level of unemployment receding for the first time since 1991, last year, and with jobs continuing to be created despite the international crisis. Indeed, we need to contrast the situation in Mauritius where our policies have allowed both job creation and protection of purchasing power with that in other countries. Mr Speaker, Sir, even powerful States such as the US have seen massive job losses and in rich states like California they have seen cuts in jobs, working hours and pay. Many firms like BA have

asked their staff to work for one month without pay. Our reforms, including the responsible consideration of tradeoffs by the NPC have preserved us from the experience in a wide variety of countries.

Clearly it would be wrong to take actions that will undermine growth, erode our competitive advantage, keep investors away, and lead to closure of enterprises and job losses. Indeed, we must have a long-term vision and maintain the policies that will link the recovery in purchasing power to the recovery in output and exports.

Mr Speaker, Sir, Government is unremitting in its course of action to restore health to the economy, and expand the opportunities for growth and jobs. To transform Mauritius and realise the hopes and dreams of its people, we must be prepared to face the hard realities often arising from external factors which are, unfortunately, beyond our control. And, we have to remain alert to the dangers of resorting to short-term populist fixes that will only make the not too distant future drastically worse.

We must protect the future of our children instead of seeking short-term political gains. The challenge is huge, but the time for action is now. To quote Prof. Lim -

“A persistent budget deficit at a very high level, a rising trend in the rate of unemployment, a steadily depreciating rupee, plus a falling volume of FDI, all four put together are a recipe for a future economic disaster.”

Indeed as the Minister of Finance in 1982, hon. Bérenger explained clearly. I quote –

“The painful choice is between protecting fully the purchasing power of those who have a job and creating jobs for the vast number of jobless. Unfortunately, we have to strike a balance between resources required for the ‘*relance économique*’ which is the key factor in the creation of jobs, and the sustainable level of the deficit.”

And how ironical that today we are talking about supporting *la croissance qui est fragile et s’assurer quand même que les déficits soient soutenables*. Thank you, Mr Speaker, Sir.

**Mr Bérenger:** Mr Speaker, Sir, the hon. Minister of Finance has used average figures to try and show that the purchasing power of one and all has increased since 2005. Will he at least agree with me that, in fact, prices of food items and other essential items have increased since 2005 by more than the rate of inflation and, therefore, has not been compensated fully or even largely by the wage compensations that have been granted? Therefore, will he agree with me

that as far as old-age pensioners, beneficiaries of social aid and the lowest paid are concerned, they have seen an erosion in their purchasing power since 2005?

**Dr. Sithanen:** Mr Speaker, Sir, we need to be fair. We have a system how we compute inflation. There is a basket of goods and services and every Member here knows that the basket is reviewed every five years. The basket does not contain only food items, it contains thousands of items which reflect the purchasing habit of the average Mauritian. And this has been the basis on which compensation has been given all over the years. We have never taken into account one specific component of the basket which is food items. I think we need to be fair. As I have indicated in my answer, Mr Speaker, Sir, the salary compensation given is only one component of what workers earn. In fact, the comparison should be made between inflation and average increase in salary. And I have indicated very clearly that between 2005 and today the average increase in salary has exceeded the average inflation as measured by the CPI. I have also indicated, Mr Speaker, Sir, that for many vulnerable groups we have walked the extra mile. Mr Speaker, Sir, giving free transport to students and old-age pensioners is an increase in purchasing power. We have increased income support by 15% to 100,000 people who are vulnerable. This is an increase in purchasing power, Mr Speaker, Sir. By removing 50% of taxpayers from the tax net, it puts more money in their pockets and they have an increase in purchasing power. We have done, under the circumstances, Mr Speaker, Sir, what is reasonable. On the other hand - I am sure the hon. Leader of the Opposition knows - we need also to make sure that we create condition where growth is there. So, we have been able to strike a fair balance between the exigencies of a global economy and showing that we care for the vulnerable group of society.

**Mr Bérenger:** Mr Speaker, Sir, I have listened carefully to the hon. Minister of Finance - not what he has just at length repeated, but to his first statement: He seemed to say that the next exercise of adjustment of salaries, old-age pensions and so on will be 01 July 2010. But then he used some words that leave some doubt. Is he telling us, the trade unions, the old people and so on that there will be adjustment in salaries, in old-age pensions and so on as from 01 July 2010?

**Dr Sithanen:** Mr Speaker, Sir, let me make the distinction very clearly between process, principle and policy. I have been discussing every day until late with the hon. Prime Minister on what needs to be done with respect to policy and we have not reached a decision yet on how this can be done because we are looking at all the facts and figures. This is policy.

With respect to process and procedure, the hon. Leader of the Opposition surely knows that when the NPC gives the compensation, we may disagree with the quantum of the compensation - point taken. But, the compensation is for a 12-month period. When the MPC gave its compensation last year, it was for a 12-month period, based on inflation for the preceding 12 months. And that's why I said very clearly in my answer, in principle, there is no overriding reason for us to give a compensation as from 01 January 2010, but we will assume our responsibility and make sure that as from 01 July 2010, there will be provision for it.

Mr Speaker, Sir, everybody knows that inflation for the 12 months ending December 2009 is likely to be lower than 3%. But we have already compensated for the first six months, from January to 30 June 2009. This has already been taken into account by the MPC. So, we have to take into account, should a policy change be made, the six months ending 30 December 2009. Mr Speaker, Sir, the inflation for 6 months is likely to be less than 1.8%. And when there is an inflation of less than 1.8% we know what has happened in the past.

The fourth thing that I would like to say, Mr Speaker, Sir, is that we are still working on what is the basis on which a compensation, either in July or another time, has to be done because, up to now, it has been an average, from July to June of a particular year, divided by July over June over the previous period. We cannot do that today, because there is a transition year and because of this transition and because inflation is very low, we need a policy decision, and this policy decision will be announced.

**Mr Bérenger:** It is not clearer than in his first statement. In principle, in practice, we'll see and so on. Does the hon. Minister of Finance think that it is fair not to give a clear-cut answer to the old people, workers, wage earners and so on, that, yes, there will be a wage compensation on 01 July or there will be an interim one? Why not give a clear-cut answer? Does the hon. Minister think it fair? Granted that there is a certain amount of *sadisme* in the air these days, but does he think that it is fair to keep the old people, the workers and so on *dans ce genre de suspense*? Leave that to others!

Mr Speaker, Sir, fairness lies in the eyes of the beholder or the one who says it. Mr Speaker, Sir, it is very clear, compensation has already been given for 01 January 2010 to 30 June 2010. This compensation has been voted by this august Assembly, Mr Speaker, Sir, and this is on. There is a compensation included in the Budget and the workers and employees in the private sector also will get it. So, the question of compensation does not arise. The hon. Leader

of the Opposition probably is talking of additional compensation. The problem that we have, Mr Speaker, Sir, as I said, is that there is a process. We are looking at the process. There is a procedure but, above all, there is a policy decision. And this policy decision remains the prerogative of Government. But, as I said, to give a simple answer to a simple question without wanting to confuse certainly the hon. Leader of the Opposition, the compensation as from 01 January 2010 has already been included and has already been provided and will be paid to people.

**Mr Bérenger:** May I remind the hon. Minister of two of his sentences. One, from the Budget presented on 06 June 2008 where he said –

“Now that we have built the fiscal space, it is our responsibility to share with those at the lower rungs.”

Some time later, replying to a PNQ which I put in the House on 27 May 2009, Mr Speaker, Sir, he said –

“If the world economy recovers and our balanced approach bears fruit, (it is bearing fruit) next compensation exercise should provide the NPC more room for manoeuvre.”

Mr Speaker, Sir, these are his own words not long ago. Now he is saying these days that the budget deficit is lower than 5% despite of the stimulus package and so on. Therefore, does he not think that he should keep his word, that on the first occasion, those who have lost purchasing power, the old people, those earning low wages and so on, should be compensated for the loss in their purchasing power?

**Dr. Sithanen:** Mr Speaker, Sir, this is the burden of the cross. The hon. Leader of the Opposition said outside Parliament that we have not done well. Here, he seems to agree with me that we have done very well and, because we have done very well, and we have created fiscal space, we have to do it.

Mr Speaker, Sir, we have shared already. I gave my reply and, in fact, I disagree with the hon. Leader of the Opposition when he says there has been a decline in purchasing power. In fact, my officers gave me 20, Mr Speaker, Sir, but I selected only 11 facts. And the most important one, how basically we have catered for growth but, at the same time, we have assured that growth is shared. Surely, the hon. Leader of the Opposition knows that because we have managed the crisis very well and because there is a recovery, the recovery, Mr Speaker, Sir, *est très fragile*, we have to be careful. And the recovery – I like these two words that are used by

the Brits. It is pallid and sluggish. We have to make sure, Mr Speaker, Sir, and I am sure the hon. Leader of the Opposition knows the debate that is taking place, not only in Mauritius, but all over the world, on stimulus package.

How do you strike the balance between continuing to support the economy, which is quite fragile, *très molle* and, at the same time, ensure that the deficit is not unsustainable, that the debt is not unsustainable and that you don't stoke inflationary pressures. It is a very delicate balance that we have to strike between the absolute necessity to create conditions for growth, to support jobs and to protect people and, at the same time, to make sure that the successes that we have earned over the last four years, are not thrown overboard because we want to be populist.

**Mr Bérenger:** May I remind the hon. Minister of two statements that came from his mouth sometime back. Can I remind him that, as far as the private sector is concerned, they have not said 'no' to an interim adjustment of salaries, therefore, old-age pensions and so on? In "*L'Express*" of 28 October 2009, the private sector said –

*"Compensation salariale intermédiaire, le secteur privé pas contre."*

Can I ask the hon. Minister whether he is not being *plus royaliste que le roi* in saying definitely 'no' to *une compensation salariale intermédiaire*, whereas the private sector is not saying 'no'?

**Dr. Sithanen:** Mr Speaker, Sir, I don't claim to be of royal descent. So, I cannot be *plus royaliste que le roi*. I have not seen any paper from the private sector on exactly what they want to do. I would caution the hon. Leader of the Opposition between what they mean by this and the discussion that could take place. And let me be very candid, Mr Speaker, Sir. There is one school of thought which is saying that we know what will be the likely compensation if we were to give it as from 01 July 2010. We have an estimate of what is inflation for the next six months. And there is a school thought that says that, instead of staggering this over six months, let us do it over 12 months. So, there are various options. In terms of net present value, it does not make much difference. In terms of psychology, it could make a difference. So, we are looking at all the options, Mr Speaker, Sir.

The hon. Leader of the Opposition himself said last week, when he was intervening on the debate on the SME, that SME is also facing the brunt of the crisis. We should not take a decision that could erode the competitiveness of SMEs. We have to take all these factors into account before making a policy decision, Mr Speaker, Sir.

**Mr Jugnauth:** Mr Speaker, Sir, since the setting-up of the NPC, the method used to calculate salary compensation has been to divide the rate of inflation by half and then to add the national labour productivity. Therefore, my question is: what is the use of having the NPC? We could well have an officer to do that exercise and calculate the compensation.

**Dr. Sithanen:** Very simple! Let me tell the hon. Member that productivity changes. They need to compute the average productivity. In some sectors, productivity is low and in others, productivity is high. Let me say something which is a paradox today. I was discussing with some people yesterday. They said: productivity has declined, Mr Minister, what is happening?' I said 'no' surprisingly, because of the lower growth in the economy, productivity has increased. And the reason for this is very simple, that the pace of decrease in the growth of the economy has been lower than the pace of decrease of the growth of labour. It is very complicated. This is what it is - those who do mathematics. In fact, productivity, Mr Speaker, Sir, surprisingly, has increased because of this mathematical formula.

**Mr Ganoo:** Mr Speaker, Sir, be it as it may - I come back to the same question - doesn't the hon. Minister think that by introducing these new criteria, now that the NPC has been with us for a few years, the end result is that the salary compensation paid to workers has been lesser than it should have been and had not the NPC taken into consideration these new criteria like productivity, capacity to pay and so on, the compensation would have been fairer?

**Dr. Sithanen:** Not true! Mr Speaker, Sir, I am probably one of the Ministers of Finance who has straddled both systems. I chaired meetings where I was the Chairman and we had to make the decision and today I can also see what's happening. It is not true, because in the previous system - and there are two former Ministers of Finance there - any responsible Minister of Finance whether indirectly and implicitly takes into account what's happening to the economy before announcing the wage compensation. There has never been in the history of this country, Mr Speaker, Sir, a full compensation. What has happened all the time is that those on the first rung on the ladder have received full compensation and then we have had a sliding scale formula. How it has slid, what has been the number of the bands, Mr Speaker, Sir, has varied from Government to Government. In some years, the band was Rs50, in some years it was Rs500, in some years the increase was Rs10 and in some years the increase was Rs50. So, all Ministers of Finance who have chaired these tripartite meetings, when they have been responsible, Mr Speaker, Sir, have had to take into account what is happening to the economy. If

unemployment is very high, it does not make sense, Mr Speaker, Sir, to give a high compensation that would make life impossible for SMEs and for industries. So, these have always been taken into consideration except what has happened today is that they are being explicitly included as one of the criteria that needs to be retained before the NPC makes its choice.

**Mr Bodha:** Mr Speaker, Sir, may I ask the Vice-Prime Minister whether he will agree that over the years in view of the fact that the threshold, in fact, in 2005/2006 was Rs4,300 which was reduced to Rs2,700 and in spite of all the years, today the threshold is still Rs3,800 which means that over the years with the depreciation of the rupee and the fact that the threshold has been reduced, there has been a staggering loss in purchasing power and whether he cannot have a special effort done this year for this exercise?

**Dr. Sithanen:** Mr Speaker, Sir, I have already replied to this question. Before hon. P. Jugnauth was in Parliament and also after he has been in Parliament - because he was the Minister of Finance, he did it - we all knew what happened, Mr Speaker, Sir. It was a question of mathematics, it was some months before the election, he just let go the percentage at which he will stop the full compensation. In subsequent years, it came back to where it should have been.

The second point that I would like to make, Mr Speaker, Sir, is that in many sectors the increase in wages actually obtained by employees has been well in excess of the recommendation of the National Pay Council.

**Mr Bérenger:** I think the only thing we are sure of is that there will be, according to the hon. Minister of Finance, no interim adjustment of pensions, wages and so on as from 01 January 2010. All the rest is lost in words, in calculations and so on. If we stick to 01 July, I would like to know how does that fit in with budget preparation. He prepares a Budget, he presents a Budget for one year, we have a Budget for calendar 2010, *ce flou qui est conservé*, what does it mean in terms of annual calendar budgeting? But, anyway, a Budget is coming in a few days' time; we have seen what we have seen since 2005. Can I get it from the hon. Minister of Finance that there will be a special effort to catch up on purchasing power, a special effort in favour of old-age pensioners, lowest paid, beneficiaries from social aid and so on?

**Dr. Sithanen:** Mr Speaker, Sir, I mentioned it clearly. It is more difficult than most people think in terms of the transition and, in fact, I have been discussing with the Prime Minister everyday. There are three decisions that have to be made, one on social aid, one on



increment for employees in the public service and the parastatal bodies and one on compensation. And let me say very clearly that there is no overriding reason why all three must coincide with the financial year. I can understand the psychological reason behind it, but there is no reason why compensation for workers or, for that matter, the increment of the civil servants should coincide with the Budget. That does not mean that we are not going to provide for it in the budget. That's a different issue, Mr Speaker, Sir.

The second point is with respect to the wage compensation, Mr Speaker, Sir. I don't want to come back on this, but we should not throw overboard a system that has ensured that we create 40,000 jobs in four years compared to 16,000 jobs in five years. We should not throw overboard a system that has attracted Rs10 billion of foreign direct investment per year compared to one million. We should not throw overboard, Mr Speaker, Sir, a system that has allowed us to resist the battering of the international storm and go back to an old system that was not functioning.

**Mr Speaker:** Time is over! Questions addressed to Dr. the hon. Prime Minister! Hon. Lauthan!

#### **MOTORWAYS & MAIN ROADS - ACCIDENTS - MEASURES**

**(No. B/1092) Mr S. Lauthan (Third Member for Port Louis Maritime & Port Louis East)** asked the Prime Minister, Minister of Defence and Home Affairs whether in regard to serious road accidents which occur on the motorways and the main roads, at night, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the procedures laid down for the deployment of the police to the sites thereof, indicating -

- (a) the measures taken for the towing of the damaged vehicles;
- (b) if the police officers are provided with fluorescent equipment, and
- (c) if the police vehicles deployed thereat are equipped with beacon lamps.

**The Prime Minister:** Mr Speaker, Sir, in regard to part (a) of the question, I am informed by the Commissioner of Police that the following procedures are normally adopted by the police whenever they are notified of road accidents which occur on motorways and main roads during the night -

- (i) The Police Information and Operations Room sends instructions to whichever police units present in the region, including the Emergency Response Service or

police riders and police patrols or police officers from the police station concerned in the vicinity to immediately proceed on the spot so as to assess the seriousness of the accident. The police officers reaching the spot make a quick assessment of the situation. Their primary duty is to save lives. That is the primary duty. If there are casualties, necessary first aid is provided or otherwise they are sent to the nearest hospital for treatment. The accident spot is cordoned off and the traffic is diverted, if required.

- (ii) Depending on the seriousness of the accident, the assistance of other units of the Police Force, namely the Divisional Support Unit, the ERS, the SSU and the SMF is requested on the spot to provide the necessary support. The SAMU and the Fire Brigade are also called for assistance in that case.
- (iii) The positions of the vehicles involved in the accident are marked by the police and necessary actions are taken to remove the obstructions from the road. The services of the Police Towing/Recovery Unit are normally enlisted whenever the vehicles have sustained serious damage. Whenever buses or other heavy vehicles are involved, the services of pay loader/crane of the SMF are solicited to remove these types of vehicles. At times, the police has recourse to the private sector for removal of obstructions from the road, namely when sugar truck or long vehicles are involved.

At times, the Police has recourse to the private sector for removal of obstructions from the road, namely when sugar truck or long vehicles are involved. The damaged vehicles are then towed away to the nearest Police station for inquiry.

As regards part (b) of the question, I am informed that all Police officers up to the rank of Police Sergeant are issued with fluorescent reflective jackets which they are required to wear while on duty. In addition, fluorescent traffic batons and electric torches have been provided to the Police stations and to some branches of the Police Force. These equipments are used by the Police officers on duty at night so as to ensure greater visibility to approaching vehicles and to other road users.

In regard to part (c) of the question, I am further informed that all Police vehicles attached to the Traffic Branch, the ERS and the Divisional Support Unit are equipped with light

bars. The patrol vehicles of the Traffic Branch are also equipped with sirens and blinking cones. All Divisional Support Units, the ERS, the SMF and the Special Supporting Unit as well as the Traffic Branch have been provided with road block kits which comprise blinking cones, beacon lamps, heavy duty aluminium collapsible traffic signs, rechargeable cordless spot light, on-stand white expandable barrier, illuminated Police retroreflective netted vest to be used in cases of accidents at night. Three of the vehicles attached to the Highway Mobile Patrol are equipped with digital display and they are deployed at the scene of road accidents on the motorway.

Mr Speaker, Sir, I wish to assure the House that we have at heart the safety of our Police officers who have to discharge their duty, especially at night. We cannot compromise on their safety. In this respect, the Police Department has purchased 1,000 fluorescent traffic batons which have already been distributed to the Police officers. An additional 3,500 will soon be made available and these will be issued individually to all Police officers up to the rank of Police Sergeant as part of their personal equipment. Other road safety and security equipment such as revolving spot lights, rear strobe lights, siren, traffic stop signs on-stand and moveable traffic diversion signs are also being purchased.

**Mr Lauthan:** The hon. Prime Minister rightly said that the primary responsibility is to save lives. In the light of the last two serious accidents, it became clear that the Police had to spend hours before clearing the highway and they had lot of difficulties removing the wounded person. Doesn't the hon. Prime Minister think that there is need for more heavy duty cranes and heavy duty equipment to be able to, on the one hand, remove the damaged vehicles and, on the other, remove the wounded persons on these accident sites?

**The Prime Minister:** Is the hon. Member referring to recovery vehicles for towing and all these things?

**Mr Lauthan:** Yes, Mr Speaker, Sir.

**The Prime Minister:** Unfortunately, the crane cannot be parked there so they have to come to the spot of the accident although during peak hours, Mr Speaker, Sir, in the morning and in the afternoon, the towing units standby in different places so that they can come quickly to the site of the accident.

**Mr Lauthan:** With the unfortunate death of this Police officer would not it be advisable to have those beacon lamps specifically designed on the road side well ahead of the accident site so that people don't just go along the lane of the site without previous knowledge of an accident?

**The Prime Minister:** This is a valid point. This is what it should be like. You are even supposed to put triangle that you have in your vehicle, some distance and not just where the vehicle is. In this case, I believe the second lorry was right behind the first one; that is why he didn't see.

**Mr Jhugroo:** Is the hon. Prime Minister aware that beacon lamps installed on ERS vehicles and vehicles purchased in year 2007 are thin, less attractive and the word 'Police' is almost not visible?

**The Prime Minister:** I am really not sure what the hon. Member is suggesting. Is the hon. Member saying that they are thin? I thought they were standard? I hardly think our Policemen would go and cut it and make it thin. They must have been bought like this, but they are buying more of them as I told.

**Mrs Labelle:** Mr Speaker, Sir, the hon. Prime Minister has mentioned that the priority of Police is to save lives rightly so, but, at the same time, it happens that during this period some parts or other elements of the accident are not being taken care of and this can hinder the inquiry afterwards. Will the hon. Prime Minister consider the establishment of a protocol in case of serious accidents which will include stakeholders even from the private sector which have the necessary equipment and so on so that the Police know exactly what is to be done in case of serious accidents?

**The Prime Minister:** It is my understanding, Mr Speaker, Sir, that there is a protocol that they adhere to at this point. In fact, in one of the accidents the private sector was immediately called because they were nearer.

**Mr Dowarkasing:** Mr Speaker, Sir, I just want to know from the hon. Prime Minister whether he can give the assurance to the House if the Police is really properly equipped in terms of the latest technology to remove bodies from damaged cars?

**The Prime Minister:** In fact, we have done additional things, Mr Speaker, Sir. For example, now we are allowing motorbikes specially equipped to be able to go through the traffic to attend to people who are stuck in the vehicle which has had an accident.

I must say, Mr Speaker, Sir - very often I see it, and it is out of goodwill that they do it - when there is an accident, passers-by try to take the people out. In fact, it is dangerous because somebody who has a fracture in the cervical region, who is not paralysed, can become paralysed by the way he is removed. That is why you have to make sure that they are taken out properly. As I explained, the ambulance and the SAMU come to take them out on what we call *civière*. I am told that they have equipment to cut and all these things, but it is all heavy equipment that they don't carry with them, they have to get it to the site of the accident.

**Mr Mohamed:** Mr Speaker, Sir, would the hon. Prime Minister consider the possibility of having telephone posts installed at regular distances on the highways from the airport up to the North so that in the event of a road accident, that telephone is a direct line to the Police to inform them of that accident?

**The Prime Minister:** This used to be the case, I know, in different countries but now with mobile phones, do you still think we still need this? I will pass this to the Commissioner of Police.

**Mr Bodha:** Mr Speaker, Sir, after the recent accident at Montebello, the issue of use of a helicopter for airborne assistance was raised. May I ask the hon. Prime Minister whether such arrangements have been made for the future in case there is any need?

**Mr Speaker:** Although I will allow this question, hon. Members must know that supplementary questions are asked to clarify answers that have been given, but I will allow this question.

**The Prime Minister:** In fact, helicopters are used when they are needed. In fact, as you know we have just had through the line of credit a new helicopter which is a twin helicopter which is much better equipped than any of the other helicopters.

#### **DR. JEETOO HOSPITAL – POST-MORTEM EXAMINATIONS**

**(No. B/1093) Mr S. Lauthan (Third Member for Port Louis Maritime & Port Louis East)** asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to

post-mortem examinations, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to -

- (a) if same are carried out at the Dr. Jeetoo Hospital and, if not, indicate -
  - (i) since when;
  - (ii) the reasons therefor, and
- (b) the other hospitals where same are carried out.

**The Prime Minister:** I am informed, Mr Speaker, Sir, by the Commissioner of Police that post-mortem examinations are not being performed at Dr. A. G. Jeetoo Hospital since 02 February of this year. In fact, as from that date, the post-mortem examination services offered at Dr. Jeetoo Hospital have been temporarily transferred to SSRN Hospital as the building housing the mortuary had to be demolished to make room for the construction of the New Jeetoo Hospital on the site.

I am also informed that Phase I of the new Dr. Jeetoo Hospital project caters for post-mortem examinations facilities and a modern mortuary with necessary equipment. Phase I of the project is expected to be completed by November next year.

In regard to part (b) of the question, I am informed that post-mortem examinations are being carried out at Victoria and SSR National Hospitals. Post-mortem examinations are also carried out in Rodrigues, as and when required.

**Mr Lauthan:** Mr Speaker, Sir, the first phase of Dr. Jeetoo Hospital will be completed in a year from now. As this puts a lot of burden on the mortuary van and on the bereaved families to go up to Candos and SSR, can I ask the hon. Prime Minister whether alternative sites could be found in the meantime? As the post-mortem is carried out under the supervision of the Forensic Unit of the Police force, I don't know whether an exercise could be prepared at the level of the Line Barracks as an interim measure.

**The Prime Minister:** Unfortunately, this cannot be done, because post-mortem has to be carried out in very strict conditions. It cannot be done anywhere else; it has to be done in a hospital.

**Mr Bodha:** Mr Speaker, Sir, may I ask the hon. Prime Minister whether he is aware that, at Candos Hospital, the post-mortem examination is done at latest at 9.30 p.m., and whether this can be extended? Could he consider this matter?

**The Prime Minister:** In fact, I am told that it goes up to 2200 hours at Victoria Hospital. But it is already agreed that it can be extended up to midnight - definitely.

**Mrs Hanoomanjee:** Mr Speaker, Sir, my question relates also to what hon. Bodha has just asked. What I have been given to understand is that it is in the context of curbing overtime that post-mortem exercises are not held beyond 10 p.m.

**Mr Speaker:** This question is about why it has not been done in Dr. Jeetoo Hospital, and reasons have been given. Now, we are going away from the subject matter. The hon. Member can come with another question.

**Mr Dowarkasing:** Mr Speaker, Sir, in the reply given by the hon. Prime Minister, he stated that actually post-mortem is being carried out in only two hospitals and most probably in Dr. Jeetoo Hospital as soon as construction will be over. Can we know why these facilities are not being extended to other hospitals, like the Jawaharlal Nehru Hospital in Rose Belle or even the Souillac Hospital in the South?

**The Prime Minister:** Basically because of the equipment that is needed and also we need to have the people to carry out the post-mortem. There are actually, I think, seven police medical officers who carry out post-mortem. But a lot of equipment is involved in this, including pathological examination. That is the reason.

#### **TRAFFIC CENTRES - ACCIDENTS – 2006 –NOV.2009**

**(No. B/1094) Mr S. Lauthan (Third Member for Port Louis Maritime & Port Louis East)** asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the traffic centres, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number of reported cases of accidents having occurred thereat and in which pedestrians were involved, since 2006 to date, indicating the number of cases thereof which have been fatal.

**The Prime Minister:** Mr Speaker, Sir, I am informed by the Commissioner of Police that, during the period 2006 to the 05 November 2009, 44 cases of accidents at traffic centres

have been reported to the police and, in 35 of these cases, pedestrians were involved. In nine cases, the accidents were fatal to pedestrians.

I am informed by the Ministry of Public Infrastructure, Land Transport and Shipping that the Traffic Management and Road Safety Unit (TMRSU) has carried out road safety audits at nine traffic centres, and has made recommendations to mitigate safety hazards. In the light thereof, the Traffic Management and Road Safety Unit has already improved the road safety conditions at the Ian Palach North Traffic Centre, the St Pierre Traffic Centre and the Jules Koenig Traffic Centre. It is now proposed to carry out road safety works at other traffic centres.

Additionally, the police have taken the following measures to prevent accidents at traffic centres -

- (a) police presence is maintained at all traffic centres;
- (b) the Police Road Safety Unit conducts sensitisation campaigns on road safety through lectures, media and meetings with the community. Since the beginning of this year, some 4,500 drivers have been sensitised on road safety;
- (c) the Police Road Safety Unit and Traffic Management and Road Safety Unit have jointly delivered lectures to some 66,960 school children;
- (d) the police, in collaboration with the National Transport Authority and the Traffic Management and Road Safety Unit, carries out joint visits and consultation with *forces vives* and the community with a view to inspecting the existing road structures for upgrading, and
- (e) the *Police du Transport* is being reorganised and will be absorbed in the upcoming Divisional Traffic Police to efficiently and effectively meet the demands and expectations of the public.

Mr Speaker, Sir, let me say that I am concerned about the number of accidents occurring on our roads, which are mainly caused - it is not the sole cause but, very often, it is - by improper driving. There is need to review the whole system of issue of instructors' and driving licences. That is why I have set up a special unit within the Prime Minister's Office to review the whole road safety strategy. For example, we are proposing to set up a proper driving centre to provide



the right techniques and skills to potential drivers before they drive on public roads. The centre will also be used to educate road safety to children and other road users.

**Mr Lauthan:** Mr Speaker, Sir, does the hon. Prime Ministers have the figures of the number of accidents that occurred in the evening?

**The Prime Minister:** The hon. Member didn't specifically ask for the evening, but we have it as he has asked.

#### **LARCENY - NORTHERN REGION - JANUARY 2009-NOVEMBER 2009**

**(No. B/1095) 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 larceny, larceny on public roads, larceny in which tourists are involved and larceny with violence, committed in the northern region, since January 2009 to date, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the -

- (a) number of reported cases thereof, on a monthly basis, and
- (b) additional measures that will be taken to avert same.

**The Prime Minister:** Mr Speaker, Sir, in regard to part (a) of the question, I am tabling the information requested by the hon. Member.

As for part (b) of the question, I am informed by the Commissioner of Police that the following additional measures are being put in place to curb larceny in the northern region:

- (a) 12 additional vehicles have been provided to the police stations covering the northern region;
- (b) a Divisional Traffic Unit will be set up by early December of this year not only to control traffic, but also to deal with crime-related offences on our roads;
- (c) additionally, as occurs every year, there will be a special Operations Order, whereby the police personnel will be put in place as from this month - later this month - in view of the forthcoming end of year festivities, to ensure a more visible police presence in such places as banks, shopping areas, filling stations, betting outlets and post offices, and
- (d) CCTV cameras will be installed by May 2010 in the Grand' Baie area.

I wish to highlight Mr Speaker, Sir, that the number of cases of larceny involving tourists in the northern region has been on the decline during the past months. My Government remains committed to the reinforcement of preventive measures, for our country to remain a safe and secure tourist destination.

**Mr Jhugroo:** Can I ask the hon. Prime Minister whether consideration will be given for the construction of a police post in the region of Pereybère?

**The Prime Minister:** I think that question was asked in the past, and I did answer. I can't remember whether they actually said there will be one in the region, or whether the one that is already there covers the area adequately. I think that was the answer.

#### **CARS - LARCENY - NOVEMBER 2008-10 NOVEMBER 2009**

**(No. B/1096) 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 larceny of cars, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number of reported cases thereof, since November 2008 to date.

**The Prime Minister:** Mr Speaker, Sir, I am informed by the Commissioner of Police that, since November 2008 to date, 117 cases of larceny of cars have been reported, out of which 47 vehicles have been recovered.

Mr Speaker, Sir, the police have informed that it has carried out a series of checks in garages and private premises island-wide in connection with stolen vehicles which are dismantled and their parts sold as spare parts. Since the beginning of this year, five persons have been arrested in connection with such cases by the Major Crime Investigation Team.

I am, nevertheless, very much concerned that, since my reply to Parliamentary Question No. B/1194 on 11 of November 2008, by the same hon. Member, the number of cases of larceny of cars has actually increased, even though slightly. I have, therefore, requested the Commissioner of Police and the Ministry of Public Infrastructure, Land Transport and Shipping to expedite the implementation of adequate preventive measures. Some of them are coming at the beginning of the year.

**Mr Jhugroo:** Following my PQ, nearly one year, as mentioned by the hon. Prime Minister, can I ask the hon. Prime Minister where matters stand regarding the issue of new

registration plates, which will be a yellow retro reflective at the rear and a white retro reflective at the front, as mentioned in the answer given last year?

**The Prime Minister:** I think, because we need time to make it standard for every car, this is going to be at the beginning of February next year.

**Mr Jhugroo:** Will the hon. Prime Minister state if Government is envisaging to introduce GPS system, in order to trace the stolen vehicles, as mentioned last year in your reply?

**The Prime Minister:** We are looking at this. We don't have the possibility of doing it straight away, but we are looking at this. In fact, we are talking to some experts from abroad. For example, in other countries, there is what is called a data bank for any car that you want to buy. We are also looking at this possibility, and the way we can do it. Because, as you know, some people are changing the mileage of the cars. We will be very, very strong against that.

#### **MBC – STAFF – RECRUITMENT - APRIL 2008-NOVEMBER 2009**

**(No. B/1097) 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 recruitment of staff at the Mauritius Broadcasting Corporation, either on a contractual or permanent basis, since April 2008 to date, he will, for the benefit of the House, obtain from the Corporation, a list thereof, indicating in each case their -

- (a) names;
- (b) qualifications;
- (c) postings, and
- (d) terms and conditions of employment.

**The Prime Minister:** Mr Speaker, Sir, the information is being compiled and will be placed in the Library.

**Mr Jhugroo:** Mr Speaker, Sir, may I ask the hon. Prime Minister how does he explain that the new Director General of the MBC himself stated that the MBC *est surpeuplé et qu'il y aura un dégraissage* and, on the other hand, there is a massive recruitment since his arrival?

**Mr Speaker:** The question is not about massive recruitment. If the hon. Member wants to ask about massive recruitment he will have to come with a substantive question.

**Mr Jhugroo:** Is the hon. Prime Minister aware that since the arrival of the new Director General of the MBC, some former staff of the MBC, who have retired at the age of 60, have been recruited on contract with very juicy package?

**The Prime Minister:** Mr Speaker, Sir, first of all, you have already ruled on the other question. In fact, I can tell the hon. Member that the new - or not so new - Director General of the MBC is actually putting order in the MBC. Now, what he is looking is the criteria, looking at the best people in the best places.

**VALLEE DES PRETRES, /CITE LA CURE, STE CROIX - DRUG  
TRAFFICKING & CONSUMPTION - ARRESTS**

**(No. B/1098) Mr G. Lesjongard (Second Member for Port Louis North & Montagne Longue)** asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to drug trafficking and drug consumption, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number of arrests recently effected in relation thereto in the regions of Vallée des Prêtres, Cité La Cure, Ste Croix, Batterie Cassée and Briquetterie.

**The Prime Minister:** Mr Speaker, Sir, I am informed by the Commissioner of Police that 17 persons have been arrested in connection with the cases of drug trafficking, and one hundred and ten in cases of drug consumption in the regions of Vallée des Prêtres, Cité La Cure, Ste Croix, Batterie Cassée and Cité Briquetterie for the period of January 2009 to 04 November 2009.

Mr Speaker, Sir, the Police is taking necessary preventive and detection measures to combat drug trafficking and drug consumption in these regions and these are as follows -

- special mobile patrols performed by ADSU personnel in collaboration with Alpha Squad, CID (North) and ADSU (North) to prevent and combat the sale and consumption of drugs;
- sensitisation campaigns have been carried out by the Crime Prevention Unit (CPU) in these regions and about 10,000 persons have been sensitized against drugs and their harmful effects on health, and

- a crackdown and a joint operations are mounted against drug traffickers with the support of the Special Support Unit and the Special Mobile Force whenever reliable information is received.

I would also like to mention that the Ministry of Health and Quality of Life and NATReSA have been actively involved in these regions by organising a series of activities such as the Needle Exchange Programme, as I mentioned in the past, the Methadone Substitution Therapy and the Community Prevention Programmes to tackle the drug scourge.

Mr Speaker, Sir, to further reinforce the measures already taken, Government, as you know, will introduce a CCTV Street Surveillance System by May 2010 to cover the whole of Port Louis, englobing the areas mentioned by the hon. Member.

**Mr Lesjongard:** May I ask the hon. Prime Minister whether he is aware of a very tensed situation that prevailed about a month ago at *Cité La Cure* where the SSU had to attend to the situation, because of Subutex trafficking, and what are the measures that have been taken at *Cité La Cure* following the incidents that occurred there due to street fighting for territory control by drug traffickers and dealers?

**The Prime Minister:** It was also a question of different families getting involved, and I think I have already mentioned the measures that have been taken. And this is not the first time that this has occurred.

**Mr Jhugroo:** Can I ask the hon. Prime Minister where matters stand regarding the construction of the Police Station at Lower Vallée des Prêtres?

**The Prime Minister:** The hon. Member asked that question, I think, in the past and I said that the procedures are on as far as I remember.

### **HIGHWAY MOBILE PATROLS – DUTIES & VEHICLES**

**(No. B/1099) 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 Highway Mobile Patrols, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to -

- (a) their functions and duties, and

(b) the number of vehicles attached thereto.

**The Prime Minister:** Mr Speaker, Sir, I am informed by the Commissioner of Police that the Highway Mobile Patrol became operational on 17 September 2009 on a 24-hour basis with a view to ensuring an efficient and effective policing on the highway from the North to the South of the island.

The functions and duties of the Highway Mobile Patrol are -

- (a) maintaining a visible Police presence through a mobile patrol on the highway on a 24-hour basis;
- (b) promoting a road safety culture among highway users;
- (c) co-ordinating with relevant agencies in cases of major accidents;
- (d) checking road worthiness of motor vehicles as well as tracking down those who drive under the influence of alcohol, those who violate speed limits and those who drive carelessly or dangerously;
- (e) enforcing highway laws related to commercial transports and heavy goods vehicles;
- (f) reporting damage to the roadways, road structures, traffic signs and obstructions, and
- (g) taking all legal steps to prevent anti-social behaviour and preventing the criminal use of the highway.

In regard to part (b) of the Question, I am informed that presently four patrol cars and eight motor cycles are attached to the Highway Patrol.

Mr Speaker, Sir, I wish to highlight that the Highway Mobile Patrol system has started to yield positive results and from 17 September 2009 to 06 November 2009, the Patrol has established 1,200 contraventions against motorists. This scheme will be extended island-wide with the setting up of Divisional Traffic Police by the beginning of December this year.

**Mr Jhugroo:** Can the hon. Prime Minister consider asking authorities concerned to place electronic sign posts on highways to inform motor vehicles drivers whenever there are any serious accidents or road congestion ahead?

**The Prime Minister:** This is a valid point and this is being looked into. Some time, they do use it when there are road constructions, but we are seeing whether this can be extended for road accidents.

**Mr Jhugroo:** Can we know from the hon. Prime Minister whether the highway patrols have been provided with First Aid kits and moveable cones in cases of accidents pending the arrival of medical teams?

**The Prime Minister:** Is the hon. Member talking about mobile cones?

**Mr Jhugroo:** Cones and First Aid kits, whenever there is any accident, pending the arrival of medical teams.

**The Prime Minister:** In fact, many private cars today have First Aid packages with them, but they have been provided, yes.

**Mr Bodha:** Mr Speaker, Sir, in fact, this is a very interesting measure. May I ask the hon. Prime Minister whether we can have a hotline where anybody can contact those patrol cars?

**The Prime Minister:** I don't know whether that is practicable, in case people start contacting right, left and centre, because we have other police vehicles which are doing other jobs. These are specifically for the motorways.

**Mr Speaker:** Time is over! The Table has been advised that Parliamentary Question Nos. B/1111, B/1131, B/1137 have been withdrawn. Questions addressed to hon. Ministers! Hon. Lauthan!

#### **KNOWLEDGE-BASED TRAINING CENTRE, PORT LOUIS - COURSES**

**(No. B/1105) Mr S. Lauthan (Third Member for Port Louis Maritime & Port Louis East)** asked the Minister of Education, Culture and Human Resources whether, in regard to the Knowledge-Based Training Centre of Nicolay Road, Port Louis, he will, for the benefit of the House, obtain from the Industrial and Vocational Training Board -

(a) a list of the courses to be run thereat as from January 2010, and

(b) information as to if the Foundation Course for Pre-Vocational students will be run thereat as from January 2010 and, if not, why not.

**Dr. Bunwaree:** Mr Speaker, Sir, I am informed that the IVTB is currently offering 25 courses comprising NTC3, Certificate and Diploma courses through either full-time, part-time, or apprenticeship mode.

In addition to these 25 courses, the IVTB is proposing to run 8 new courses in 2010 as follows -

- Higher National Diploma (HND) in Sport, Entertainment and Leisure Management
- National Certificate level 2 course in Automotive Mechanics
- National Certificate level 2 course in Electrical Installation Works
- Diploma in Electrical and Electronics Engineering
- Diploma in Logistics and Operations Management
- Diploma in Mechatronics
- Diploma in Hairdressing (City and Guilds)
- Diploma in Beauty Therapy (City and Guilds)

I am circulating the list of the 33 courses. (**Appendix I**)

With regard to part (b), as regards the NTC Foundation course, I am informed that the IVTB is not presently in a position to run same at the Knowledge-Based Training Centre as there is no space available in the centre. I am further informed that for 2010 some 362 students from the Port Louis region who have completed their 3-year pre-vocational course, will be admitted to the Foundation course in four IVTB training centres, namely La Tour Koenig, Rivière du Rempart, Prof. B. S. Upadhyaya, and Colonel Maingard Training Centres. It should be pointed out that all 2,188 applicants for a Foundation course for the year 2010 throughout the island have been accommodated by the IVTB in its 15 centres island-wide. However, I am requesting the IVTB to consider the possibility of setting-up a training centre in Port Louis itself to cater for students of the NTC Foundation course of that locality.

In addition, I wish to take this opportunity, Mr Speaker, Sir, to inform the House that, in addition, in regard to some 600 students who do not succeed in getting a seat for NTC3 Course,



even after having done the Foundation course, I have requested IVTB to mount a special 6-month course to better prepare these students for the world of work. Funding implications have been worked out and are being considered by the Ministry of Finance.

**Mr Lauthan:** Mr Speaker, Sir, we remember well that when the hon. Minister inaugurated the centre, it was meant primarily for poor students around Port Louis. I can understand that the students go for diploma courses, but still now we see that they are giving most of the seats to the diploma students, whereas there is a dire need for more space for the foundation course for the students.

**Dr. Bunwaree:** But I have said to the House that I have already given directives to the IVTB to find another place, especially for students of the foundation course.

**Mr Lauthan:** May I know by when the hon. Minister thinks that we would be able to find a place?

**Dr. Bunwaree:** I think it should be in the course of the year in any case.

#### **CEB – ACCIDENTS AT WORK – INSURANCE POLICY**

**(No. B/1106) Mrs F. Labelle (Third Member for Vacoas & Floreal)** asked the Deputy Prime Minister, Minister of Renewable Energy and Public Utilities whether, in regard to the Central Electricity Board, he will, for the benefit of the House, obtain from the Board, information as to the number of reported cases of accident at work having occurred thereat, during the period January 2005 to August 2009, indicating if these employees were covered by an insurance policy and, if so, the type thereof.

**The Deputy Prime Minister:** Mr Speaker, Sir, I am informed by the CEB that 508 cases of accident at work and 65 outside work were reported from January 2005 to August 2009. I am also informed that the CEB contracts a Group Personal Accident Insurance Policy which covers all CEB employees for bodily injuries that may arise from accidents, whether on or outside duty. The insurance cover is on a 24-hour basis worldwide.

**Mrs Labelle:** Mr Speaker, Sir, may I ask the hon. Deputy Prime Minister whether this insurance policy covers medical treatment?

**The Deputy Prime Minister:** No, the medical treatment is paid by the CEB itself.

**Mr Bhagwan:** One of the direct links between accidents is safety at work which is a direct element for follow-up. Can I know from the Deputy Prime Minister whether he has received a report on whether *il y a eu un relâchement concernant l'aspect du* safety on site, whether the safety regulations have been updated and whether the Safety Unit of the CEB needs to be updated?

**The Deputy Prime Minister:** Mr Speaker, Sir, I fully agree with the hon. Member. But having said that, it is interesting to note that if you take 2005 backwards for five years and 2005 forward to the next five years, the accident rate has gone down by 20%. I have asked that a consultant be employed to review the health and safety procedures and to make recommendations.

**Mrs Labelle:** May I ask the hon. Minister whether he is aware of the benefits of this cover?

**The Deputy Prime Minister:** The benefits are for death, permanent disability and permanent partial disablement. I emphasise here that the deaths that have been recorded for the past 5 to 7 years are three in number and they have all been off duty road accidents and not accidents at work. The death is covered up to six times the annual salary, which is 13 months basic salary and for permanent disability, it is eight times the annual salary which is 13 months again. For the permanent/partial disablement, it is a percentage of the eight times according to the degree of disablement.

**Mr Bhagwan:** Can I ask the Deputy Prime Minister to request the CEB that the views of the workers and staff unions be sought as they are directly involved in the work, in the process of updating the regulations and be submitted to the consultant or management?

**The Deputy Prime Minister:** I will certainly take good note of that.

**Mr Lesjongard:** Among the 508 cases that the Deputy Prime Minister mentioned, may I ask him how many concern contractors working for the CEB?

**The Deputy Prime Minister:** I do not have the details, but I will provide them if the hon. Member would like to be informed.

**MONT IDA FOOTBALL GROUND – CONSTRUCTION - CONTRACT**

**(No. B/1107) Mr G. Gunness (Third Member for Montagne Blanche & GRSE)** asked the Minister of Youth and Sports whether, in regard to the project for the construction of the Mont Ida Football ground, he will state the –

- (a) Date the first contract was awarded, indicating the -
  - (i) cost;
  - (ii) scope of work, and
  - (iii) name of the contractor thereof.
- (b) Percentage of work completed by the first contractor, indicating the -
  - (i) reasons why the project was stopped, and
  - (ii) date on which all works were stopped.
- (c) the date the new contract was awarded, indicating the -
  - (i) name of the successful bidder;
  - (ii) bids value, and
  - (iii) scope of work.

**The Minister of Environment and National Development Unit (Mr L. Bundhoo):**  
Mr Speaker Sir, with your permission, I will reply to PQ No. B/1107.

The contract for the construction of the Mont Ida football ground was awarded on 21 February 2005 to the DWC to the tune of Rs12,396,540 and the scope of work comprised the construction of a football ground, drains, block walls, fencing and gates.

With the closure of the DWC, the works were stopped on 31 July 2006 and the Consultant Gibbs estimated that 65% of the works were completed, which also represent some 65% of the value of the contract which was paid to the DWC.

In order to enable early use of the playground, it was decided to undertake the completion works into three phases –

- (i) Phase 1 comprised of levelling of pitch, provision of topsoil, turfing and French drains;
- (ii) Phase 2 will consist of construction of block wall, chain link fencing and gates, and
- (iii) Phase 3 will consist of the construction of a cloakroom and other facilities.

For the first phase of completion works, a fresh tender was launched on 18 May 2009 by the National Development Unit through open bidding procedures and the contract was awarded on 21 August 2009 to Mecatronics Ltd. for the sum of Rs2,626,887. However, Mecatronics Ltd failed to submit a performance bond within the prescribed delay in accordance with the tender document. Subsequently, the contract was awarded to the second best tenderer, Messrs A. Jaufeerally Enterprise Ltd. on 14 September 2009 for the sum of Rs2,815,200.

I am informed that works have started on 09 October 2009 and the expected completion date is mid-January 2010. Upon completion of Phase 1, the football ground will be handed over to the Moka/Flacq District Council for use by the inhabitants of Mont Ida and surrounding villages. Hopefully, by mid-December, tender will be launched for the implementation of the second phase of the completion work, i.e. construction of block wall, chain link fencing and gates, and subsequently for Phase 3.

**Mr Gunness:** Mr Speaker, Sir, the football ground that we are talking about was mentioned in last year's Audit's Report where it was mentioned that 60% of the work was completed. Can I ask the hon. Minister why, during the construction of the first phase, the contractor pulled down the wall which was already erected on the football ground and for which payment of nearly Rs8 m. had already been made as 65% of the work was done? It is in the Audit's report and the Minister himself said that Gibbs recommended it. Can I know from the Minister why this wall has been pulled down? It is wastage of public fund.

**Mr Bundhoo:** Mr Speaker, Sir, first of all, let me inform the House that the issue of the Mont Ida football ground has been raised in this House on three occasions. On the first occasion, it was by hon. Cader Sayed-Hossen through PQ No. B/1465 on 21 November 2006...

**Mr Speaker:** Can the hon. Minister answer directly without going into details?

**Mr Bundhoo:** This is exactly what I am doing, Sir.

**Mr Speaker:** No, no, please!

**Mr Bundhoo:** The second time by myself and the third time it was at Adjournment time by myself.

*(Interruptions)*

Mr Speaker, Sir, first, let me, for the benefit of the House, explain that before allocating the contract, the firm Cheung Consulting Engineers was asked by the consultant at the time to conduct a survey and upon the recommendations of Cheung Consulting Engineers the contract of this football ground is being relaunched. I would like here to comment on that. The columns reinforcement which the hon. Member is referring to is severely corroded and needs to be rebuilt.

Secondly, reinforcement of the stone cladding is also severely corroded. It goes on. The fifth and last recommendation is: we cannot comment on the bases since we haven't seen the reinforcement, but since the columns are to be rebuilt, we request that bases also need to be done all over again.

Mr Speaker, Sir, I am a politician, not an expert in concrete and more so not an expert in furniture.

*(Interruptions)*

**Mr Guinness:** Mr Speaker, Sir, I do not want to be like the Minister. I am putting factual question because it is in the Auditor's Report. He has mentioned "early completion and he has taken five years" and he said himself that GIBB recommended the payment of 65% at that time. Can I know from the hon. Minister whether GIBB assessed the work, looked after it and then recommended 65% payment and whether he had the views of the engineers of the MPI before the pulling down of the wall by the contractor?

**Mr Bundhoo:** Mr Speaker, Sir, firstly, let me remind the hon. Member again that I am not an expert. Secondly, Mr Speaker Sir, I must inform the hon. Member that - he was the Minister then - it was a practice at that time that 30% of advance payment is made to the DWC. In accordance to document given to me almost Rs1.5 m. out of the Rs8 m., my hon. colleague is making reference to, is considered and computerised as advanced payment.

**Mr Dayal:** Can I know from the hon. Minister whether the original contract was awarded as initially proposed and whether it is correct practice to make advance payment before the work start itself?

**Mr Bundhoo:** I must say, Mr Speaker, Sir, as far as I know, that it was the practice previously. But, fortunately or unfortunately, the DWC no longer exists. From the document I have - hon. Choonee was the then Minister of Housing and Lands - the land was purchased and vested to the Ministry of Local Government, Rodrigues, and at the time, it was NDU also if I am not mistaken. It was purchased for the Mont Ida Sports Complex. But, unfortunately, when the tender was issued at the first time it was only for a football ground.

**Mr Guinness:** Mr Speaker, Sir, the hon. Minister said that the tender was launched for a football ground - the fencing, the block wall and the gate. Today the hon. Minister is saying that it was purchased for a sports complex. He knows that it was a complex and it is only turfing that is actually being done. Today, the hon. Minister will explain. Now he knows that it is a football complex. So, why it is not a complex today when the tender has gone out? Why it is Rs2 m. only for the turfing?

**Mr Bundhoo:** Mr Speaker, Sir, I fail to understand how a football complex - if I use the terms of the hon. Member - does not include a cloakroom and toilet facilities. If this is a complex then I feel very sorry for that complex.

**Mrs Dookun-Luchoomun:** Mr Speaker, Sir, may I ask from the hon. Minister whether any supervision work was done during the time that the wall was being erected?

**Mr Bundhoo:** I did not catch the question of the hon. lady.

**Mr Speaker:** Repeat your question!

**Mrs Dookun-Luchoomun:** May I ask the hon. Minister whether there was any supervision work done during the erection of this wall?

**Mr Bundhoo:** I have to explain one thing to the House; the DWC did not undertake the work. The DWC launched tender and there were 15 tenderers for that. Mr Gokhool, I think from Valetta, obtained the tender. The DWC sub-contracted part of the work to be carried out for the construction of the football ground at Mont Ida. Now, there must have been two supervisions;

firstly, from the DWC which was given the contract and, secondly, from the in-house engineers, the Minister of NDU at that time after the DWC was closed down.

**Mrs Dookun-Luchoomun:** Mr Speaker, Sir, the hon. Minister mentioned GIBB as consultant. As far as I remember, the consultants were supposed to do the supervision of the work as well. If they had recommended the payment of Rs1.5 m. then how come the final payment of Rs8 m. was carried out and who had recommended same?

**Mr Bundhoo:** I have already explained that. It was Government practice at the time to give an advance payment to the DWC to the tune of 30% of the value of the contract.

**Mr Sayed Hossen:** Mr Speaker, Sir, can we know from hon. Minister whether the football ground at Mont Ida was the only work left over by the DWC or whether there were others after the closure of DWC?

**Mr Bundhoo:** After the closure of the DWC – if I am not mistaken there were some 13 community centres where works were outstanding. There was one social hall at Mare La Chaux...

**Mr Speaker:** I am sorry, I allow this question, but it does not relate to this one.

**Mr Gunness:** The hon. Minister said that the football ground will be handed over to the Moka-Flacq District Council. Can I understand from the hon. Minister that the people there will start using it?

*(Interruptions)*

The hon. Minister is saying 'yes'. So where are the toilet facilities?

**Mr Bundhoo:** Can I ask the hon. Member when he first launched the tender when he was Minister where was the toilet facilities then?

*(Interruptions)*

**Mr Speaker:** Order Please! Yes, next question. Hon. Gunness!

**UNIVERSITY OF MAURITIUS/SSR DENTAL COLLEGE – QUALIFICATIONS -  
RECOGNITION**

**(No. B/1108) Mr G. Gunness (Third Member for Montagne Blanche & GRSE)** asked the Minister of Health and Quality of Life whether, in regard to the University of Mauritius/SSR Dental College, he will, for the benefit of the House, obtain from the Dental Council, information as to why the qualifications delivered thereby are still not being recognized by the Council, indicating if remedial measures will be taken.

**Dr. Jeetah:** Mr. Speaker Sir, with regard to the newly qualified dental surgeons from the University of Mauritius/SSR Medical College, I am informed by the Dental Council of Mauritius that, at its meeting held on 23 October 2009, it has approved the inclusion of the name of the University of Mauritius in the list of recognised medical institutions.

In accordance with Section 40 of the Dental Council Act 1999, my Ministry has already initiated procedures to amend the Principal Regulations.

**Mr Gunness:** Mr Speaker, Sir, at the SSR Dental College there are two Mauritian students for the batch of 2004 and, from what I understand, they are not being recognised by the Dental Council. Can I know from the Minister whether it will be done now?

**Mr Speaker:** The law is being amended, so what is the relation?

**Dr. Jeetah:** I have already replied, Mr Speaker, Sir.

*At 1.00 p.m the sitting was suspended.*

*On resuming at 2.30 p.m with the Deputy Speaker in the Chair.*

#### **PALMAR RESERVES - STATE LAND LEASE**

**(No. B/1109) Mr G. Gunness (Third Member for Montagne Blanche & GRSE)** asked the Minister of Housing & Lands whether, in regard to the lease of State land at Palmar (ex Livestock), he will now state the -

- (a) names of the applicants and their respective projects;
- (b) mechanism put in place for the allocation thereof;



- (c) names of the beneficiaries, if any, and
- (d) terms and conditions attached thereto.

**Dr. Kasenally:** Mr Deputy Speaker, Sir, as at date, 182 applications have been received for lease of State lands within Palmar Reserves (ex-Palmar Livestock Station). I am arranging for the list of applicants and their respective projects to be placed in the Library of the National Assembly.

In regard to part (b) of the question, a committee of officials of my Ministry is currently examining all the applications and will make appropriate recommendations soon.

In regard to parts (c) and (d), I wish to inform that, so far, due to previous commitments, only two plots of land within the site have been reserved as follows -

- (i) a plot of an approximate of 7A30P in favour of Dream Spa & Resorts Ltd for the construction of a Spa and Resorts Centre;
- (ii) a plot of an approximate extent of 29A65P in favour of the Ayurvedic Village and Resorts Ltd for the setting up of an Ayurveda Sanctuary.

The reservations have been granted to the above two promoters on the usual terms and conditions, including -

- (a) payment of a refundable reservation fee of Rs150,000 per *arpent*;
- (b) submission of preliminary plans within a period of three months;
- (c) clearance being obtained from the relevant authorities, and
- (d) contribution on a cost-sharing basis for the infrastructural development within the site.

**Mr Guinness:** In a previous reply from the former Minister of Agriculture, we asked whether advertisement calling for applications would be put in the papers. Can the hon. Minister state whether this was done, and if it has not been done, why, and how these 182 people have come to know that they have to send an application directly to the Ministry?

**Dr Kasenally:** These 182 applications followed an advertisement previously in the public, and this is how they responded. We got 182, which is far more than the land available.

**Mr Guinness:** Is the Minister prepared to table a copy of that advertisement?

**Dr. Kasenally:** Certainly, I will. It must be in one of the files in my Ministry.

**Mr Dowarkasing:** Mr Deputy Speaker, Sir, out of the 250 *arpents*, I understand that 25 *arpents* were considered as wetland, and there was a report awaited from the National Ramsar Committee. Can we know what has been the outcome of the National Ramsar Committee, and whether these 25 *arpents* also will be put at the disposal of developers?

**Dr. Kasenally:** As a matter of fact, for the first one, which is the Aryurvedic, the wetland has been included in the portion of land allocated and, apparently, they can use that for their project.

**Mr Guinness:** At a point in time, the former Minister of Agriculture said that the Ministry of Housing & Lands is presently working on a master plan of the Palmar Livestock. Can we know if the master plan is ready and if the Minister is prepared to table a copy of that?

**Dr. Kasenally:** The master plan is ready, and it is on the basis of the master plan and with all the applications that my Ministry is working on the allocation. In fact, Cabinet approved the master plan, which was prepared by my Ministry, and all these were to promote tourism related activities in the region. The master plan provides, *inter alia*, for nine hotel sites fronting the public beach or a wetland, 20 bungalow sites at the rear of the site, a major leisure and recreational centre, a major commercial site, a public parking area, a central link road serving the inner plots connecting the coastal road. This road will serve as a bypass, taking through traffic from the coastal road, a boulevard connecting the coastal road to the central link road and a pedestrian/cycling/jogging track along one of the central link road and connecting the coastal walkway.

**Mr Guinness:** The Minister said that 7 *arpents* have been given to a Spa and 29A65P to the Ayurvedic Village and Resort Ltd. Can we get the name of the promoters of the Aryurvedic Village and Resorts and that of the Spa? I also know that there was an Akshay company previously. Can we get the name of the promoters?

**Dr. Kasenally:** I will arrange for the information to be made available.

**Mr Guinness:** There was a committee set up at the level of the Ministry to look into all these applications. Can we get the names of the persons in that committee?

**Dr. Kasenally:** The committee is made up of planners, administrators and also of surveyors; technical people. I think it would not be appropriate to give the names of these officers, as intolerable pressure may be made to bear upon them.

**Mr Gunness:** Can I know from the hon. Minister whether his Ministry has any time frame by when these applications will be processed and by when the promoters will know that they are getting that plot of land.

**Dr. Kasenally:** I am impressing on the staff of my Ministry to be as expeditious as possible, but there are a lot of issues to be sorted out. I hope it will be soon enough, in the months to come maybe.

**Mr Dowarkasing:** Mr Deputy Speaker, Sir, I'll come to the issue of the National Ramsar Committee. Do I gather from the hon. Minister that the National Ramsar Committee has given its green light for using the wetlands as part of the development project and, if so, can we have a copy of this report tabled in the House?

**Dr. Kasenally:** In fact, the Ramsar Committee is a technical matter – I have not seen the report; it's with the technical people - and I have to see whether it is possible to table the report, which is confidential. But, if there is no impediment whatsoever, I shall do so.

**Mr Gunness:** Apart from the projects mentioned in the master plan, can I know from hon. Minister what are the other criteria that will be taken into consideration when the application is being processed? What are the other criteria that will be taken on board to take a decision?

**Dr. Kasenally:** These are the normal criteria which we take into consideration, namely the feasibility of the project, the amount of foreign direct investment and also the credibility of the promoter.

**The Deputy Speaker:** Next question, please!

**TROU D'EAU DOUCE SAND CARRIER MULTIPURPOSE  
CO-OPERATIVE SOCIETY - LEASE**

(No. B/1110) **Mr G. Gunness (Third Member for Montagne Blanche & GRSE)** asked the Minister of Business, Enterprise and Cooperatives whether, in regard to the Trou D'Eau Douce Sand Carrier Multipurpose Co-operative Society, he will, for the benefit of the House,

obtain information as to if it was ordered to pull down its office which is found on a plot of State land and, if so, the reasons therefor.

**The Minister of Housing & Lands (Dr. A. Kasenally):** Mr Deputy Speaker, Sir, in 1998, a commercial site over a plot of State land of an approximate extent of 325cm<sup>2</sup> adjoining the Trou d'Eau Douce Public Beach was granted to the Trou d'Eau Douce Sand Carrier Worker's Marketing and Multipurpose Co-operative Society for the purpose of constructing a boathouse.

Thereafter, the Society made a request for the regularisation of its illegal occupation over the Trou d'Eau Douce Public Beach, the reason being that it had already constructed a CIS structure on the beach. The request has not been acceded to as it would entail the de-proclamation of the part of the public beach and the creation of an access which would have divided the beach into two parts.

Furthermore, the issue was subject to a court case entered by the Beach Authority against the Society. The case was withdrawn on 03 June 2009 by the Beach Authority.

The Society was requested in July 2009 to remove the building it had illegally erected on the Public Beach and relocate the same on an adjoining plot of State land earmarked for the Society since 1998. The Trou d'Eau Douce Sand Carrier Worker's Marketing and Multipurpose Co-operative Society has made representations against this decision and the matter is further being examined.

#### **RIPAILLES/NOUVELLE DECOUVERTE – FOOTBALL GROUND**

**(No. B/1111) Mr S. Dayal (Second Member for Quartier Militaire & Moka)** asked the Minister of Housing and Lands whether he will state if Government will consider the advisability of acquiring land in the regions of Ripailles and/or Nouvelle Découverte, for the construction of a football ground.

*(Withdrawn)*

#### **MOUNT ORY - RETAINING WALLS - CONSTRUCTION**

(No. B/1112) **Mr S. Dayal (Second Member for Quartier Militaire & Moka)** asked the Minister of Public Infrastructure, Land Transport and Shipping whether, in regard to the proposed construction of retaining walls at Mount Ory, he will state where matters stand.

**Mr Bachoo:** Mr Deputy Speaker, Sir, the construction of retaining walls at the junction of Montagne Ory - Bois Chéri roads over a length of 100 m. is being undertaken by COLAS (Maurice) Ltée at a cost of Rs2 m. Works, which started in September 2009, are expected to be completed by mid-November 2009.

**Mr Dayal:** Mr Deputy Speaker, Sir, is it September 2009?

**Mr Bachoo:** The work has already started at that place and the second phase will continue.

**Mr Dayal:** Does the hon. Minister mean at la Terre Coupée?

**Mr Bachoo :** The information that I have is at Montagne Ory and Bois Chéri roads.

**Mr Dayal:** Mr Deputy Speaker, Sir, with the coming of the M1 trunk road, the village of Montagne Ory has been divided into three regions. Through no fault of theirs, they are being denied access. They can purchase a car and they have to leave it very far from their residence. Therefore, I would like to make a plea to the hon. Minister that proper access be provided to them with the construction of the retaining wall. I would also like to impress upon the hon. Minister that a site visit is imperative to have a proper analysis of the situation.

**Mr Bachoo:** Mr Deputy Speaker, Sir, I don't mind conducting a site visit, but, in fact, the first part, which is a bit further off, is the part we have already started. That is going to end by mid-November and then we will take up the second part, the one which the hon. Member is referring to.

**MAURITIUS REVENUE AUTHORITY – MEMBER OF PARLIAMENT -  
DECLARATION OF REVENUE**

(No. B/1113) **Mr E. Guimbeau (First Member for Curepipe & Midlands)** asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether he will state if he has recently received from the Director of the Mauritius Revenue Authority any complaint in

regard to non declaration of revenue to the Authority by one hon. Member of Parliament who is also a member of the Parliamentary Committee on the Independent Commission Against Corruption.

**The Vice-Prime Minister, Minister of Finance and Economic Empowerment (Dr. R. Sithanen):** Mr Deputy Speaker, Sir, the answer is ‘no’.

**Mr Guimbeau:** Mr Deputy Speaker, Sir, in fact, the Director of the Mauritius Revenue Authority did give information to the hon. Minister and he, himself, informed the Prime Minister about what happened. So, I would like to know from the hon. Minister...

*(Interruptions)*

Mr Deputy Speaker, Sir, there is genuine information straight from the Prime Minister’s Office. I would like to know from the hon. Minister.

**Dr. Sithanen:** I did not realise that the hon. Member also was in the process of negotiation and that he goes to the Prime Minister’s Office regularly.

**Mr Guimbeau:** Mr Deputy Speaker, Sir, there is no negotiation or whatsoever. I am just putting a question, and I would like the hon. Minister to tell the House whether or not the Director General has informed him about this non payment.

**Dr. Sithanen:** For the avoidance of doubt, let me repeat ‘no’.

**Mr Guimbeau:** Can the hon. Minister tell the House how many cases of non-payment of taxes...

*(Interruptions)*

**The Deputy Speaker:** Hon. Guimbeau, this question does not arise from your main question. I will not allow it. Next question, please!

#### **BASSIN LOULOU, ST JULIEN D’HOTMAN – UPGRADING WORKS**

**(No. B/1114) Mr S. Dayal (Second Member for Quartier Militaire & Moka)** asked the Minister of Environment and National Development Unit whether, in regard to the Bassin Loulou at St. Julien d’Hotman, he will state if Government will consider the upgrading thereof by –

- (a) constructing a retaining wall;

- (b) effecting terracing works;
- (c) fixing handrails, and
- (d) constructing a platform.

**Mr Bundhoo:** Mr Deputy Speaker, Sir, my Ministry has already undertaken dredging works at Bassin Loulou in the context of the Ganesh Chaturthi festival. The fixing of handrails and construction of a platform will soon be undertaken.

As regards the construction of a retaining wall and terracing works, a decision will be taken after a site visit and report by the Project Manager of the Ministry. Therefore, shortly we expect works to start there also on second phase.

#### ***PAS GEOMETRIQUES - EX-CHA HOUSING ESTATES – SALE***

**(No. B/1115) Mr G. Lesjongard (Second Member for Port Louis North & Montagne Longue)** asked the Minister of Housing and Lands whether, in regard to the ex-CHA housing estates, he will, for the benefit of the House, obtain information as to if those found on the –

- (a) *Pas Géométriques* can be sold, and
- (b) private and railway lands, respectively, have not yet been sold and, if so, the reasons therefor.

**Dr. Kasenally:** Mr Deputy Speaker, Sir, in regard to part (a) of the question, I wish to draw the attention of the House that section 2(1) of the *Pas Géométriques* Act, does not allow the sale of lands on *Pas Géométriques*. Thus, ex-CHA housing estates found on the *Pas Géométriques* cannot be sold.

As regards part (b) of the question, I am informed that there are 29 housing estates on private lands. A decision has already been taken to acquire those private lands and procedures have already been initiated in respect of a number of sites. I also wish to point out that this exercise is cumbersome and time consuming, but, nevertheless, every possible measure is being taken to expedite matters.

There are six ex-CHA Housing Estates on railway track. I am informed that part of that railway track may be required for further road development including the establishment of an alternate mode of transport. In these circumstances, my Ministry has initiated discussions with

the Ministry of Public Infrastructure, Land Transport and Shipping as regards those lands which may be safely released for sale. Clearances have now been obtained for the sale of State land at Notre Dame and Nouvelle France which are outside the reserved track. Action is being taken accordingly to allow for the sale of these houses.

**Mr Lesjongard:** Mr Deputy Speaker, Sir, in a reply to PQ No. B/1200 in November 2007, a question was put to the then Minister of Housing and Lands regarding CHA houses found on *Pas Géométriques* land and the Minister replied that Government is considering the desirability and advisability of amending the law. Is Government still considering amending the *Pas Géométriques* Act?

**Dr. Kasenally:** The matter was referred to the State Law Office, and I think the answer was in the negative.

**Mr Lesjongard:** Mr Deputy Speaker, Sir, will all those families whose CHA houses are on *Pas Géométriques* not be able to become owners of that land?

**Dr. Kasenally:** It appears to be so according to the decision of the State Law Office.

**Mr Lesjongard:** Mr Deputy Speaker, Sir, when we voted the legislation in Parliament, we were all told - and even those owners were told - that, by amending this legislation, they are all going to become owners of those CHA houses. Is it true or not?

**Dr. Kasenally:** Mr Deputy Speaker, Sir, I have to check this aspect. This Government has made a major drive towards selling these CHA houses. There are over 19,442, and those that cannot be sold like *Pas Géométriques* are 896; private land 1,983, which we are trying to buy, and there is a bit of a problem here because some of the land belongs to the sugar estates which have resisted compulsory acquisition. Land that can be sold is 16,525. So far, the applications received for land that can be sold is only 11,027. I was not satisfied. Government was not satisfied because of the response.

Members of our staff went to each and every housing estate. In fact, they informed these people of the facilities. Despite that, there has been reluctance on the part of some of them to buy these houses. So far, applications, which have been processed and approved by me, stand to at 10,663. Letter of intent: 10,495 applicants applied to notary. The title deeds are already ready; they have paid for it and have got their contract, and it is almost 6,000. We are having problems



with some 3,899 persons, because there are heirs and succession problems among heirs, financial problems, payment not completed. Some of them do not have the sum of money to buy it. Some are having second thoughts and they are not willing to go ahead, and this amounts to 309. There is a category of people, about 668, who are widows, old age living on assistance. In this category, people are not prepared to buy it, because some of them are paying Rs12 and some are paying Rs150. They have computed that if they stay as they are - they are above 65 and some 80 - they are going to pay about Rs6,000, and that will be for about 200 years. Therefore, they do not want to do it, and there is nothing we can do about it.

**Mrs Hanoomanjee:** Mr Deputy Speaker, Sir, does the hon. Minister realise that, the fact that this land cannot be sold to the inhabitants, it is causing undue hardship to these inhabitants, since some of these houses are in a deplorable state and that the inhabitants cannot get a loan to improve their houses and so are bound to stay there? What are the measures that are being considered by the Minister and his Ministry to 'deproclaim' the *Pas Géométriques*? I don't know whether this is legally feasible, but we cannot leave the inhabitants in such deplorable conditions.

**Dr. Kasenally:** Mr Deputy Speaker, Sir, these houses belong to these people *en toute propriété*, and I think they can take loan because the houses belong to them. As far as I am concerned, Government is making an extra effort even for all those who can buy but don't want to buy, and I don't think we can do much more than that. But, nevertheless, we have cut down all the expenses. For example, for notarial deeds, they are paying only Rs600. We cannot go beyond; there is a bottom line below which we cannot go. The hon. Member is only talking about *Pas Géométriques*. We will have certainly a fresh look at it, but there is a real problem. *Pas Géométriques* is supposed to be sacrosanct. I must point out also that there is something very, very disturbing about some of these CHA houses. I have just come across three houses which have been sold by levy by a third party for the sum of Rs63,125.198 and which has been bought by - I won't say a speculator - a contractor. These houses are going to be sold, after the land has been purchased, at astronomical sum. But what is even more disturbing is that some of these people who have lost their houses are now going and squatting around State land. You would agree with me, Mr Deputy Speaker, Sir, that this is a serious matter; it is a concern. We also have another problem. Recently, we regularised a number of squatters at Bois Marchand, and I was appalled to see that one of them had put a notice 'land for sale'. When my officers went there, the notice was removed.

**Mr Lesjongard:** Mr Deputy Speaker, Sir, does the hon. Minister realise in what situation we are? Because on the eve of the public rally of 01 May 2007, Government promised those CHA housing owners that they were going to be owners of their land. Two years have gone by and, now, we are being told that they won't be able to buy their plot of land. Does the hon. Minister agree that we are in a difficult situation first, and that those people have stopped paying their lease also since 2007? For *Pas Géométriques*, for private land, since it has taken a lot of time to regularise their situation, it is now that Government is finalising some sale, and Government is asking those families to pay arrears for the past two years. And they can't afford paying those arrears, Mr Deputy Speaker, Sir.

**Dr. Kasenally:** Mr Deputy Speaker, Sir, we have done much more than any other Government has done.

*(Interruptions)*

Now, to come and tell me that we are not doing enough! What can we do more than going to each and every housing estate and literally imploring them to come forward? In fact, I got in touch with certain non-governmental organisations which can help them. I am sorry to say that the way the hon. Member is dramatising it is as if it is the fault of Government. It is not the fault of Government; Government is doing everything, and we will do even more.

*(Interruptions)*

**The Deputy Speaker:** No cross-talking, please!

**Mr Ganoo:** Can I ask the hon. Minister to calm down first? I know he is a calm person by nature.

*(Interruptions)*

The problem is, I think, about the *Pas Géométriques*, Mr Deputy Speaker, Sir. Some time back, I asked a question to the hon. Minister about Cité Riambel, which lies on *Pas Géométriques*, and the hon. Minister, as far as I remember, rightly said that he was going to consult the State Law Office. The hon. Minister is right when he says that *Pas Géométriques* is inalienable and imprescriptible, as you know, Mr Deputy Speaker, Sir. But, even if we have to go as far as devising a legal formula and, if need be, even amending the Constitution, to enable

Government to sell the houses on *Pas Géométriques* to the occupiers, I am sure everybody in this House would be agreeable to do that. So, could the hon. Minister look into that possibility?

**Dr. Kasenally:** I welcome the tone and attitude of the hon. Member, whom I have known for a long time; he was my student after all. As you know, he has hit the right word which is prescribed in the *Pas Géométriques*.

*(Interruptions)*

I think we have to see. It is a matter of changing the Constitution of this country, and it is no mean feature. But wherever there is a will there is a way. With his very sharp legal mind, I think we can put our heads together and try to do something.

#### **APOLLO BRAMWELL HOSPITAL - INFRASTRUCTURE FACILITIES**

**(No. B/1116) Mr G. Lesjongard (Second Member for Port Louis North & Montagne Longue)** asked the Minister of Public Infrastructure, Land Transport and Shipping whether, in regard to infrastructure facilities provided by Government to the Apollo Bramwell Hospital, he will state the amount of money disbursed in terms of –

- (a) access roads;
- (b) electricity, and
- (c) water.

**Mr Bachoo:** Mr Deputy Speaker, Sir, at the very outset, I would like to dissipate any misconception about the provision of infrastructural facilities within the Réduit Triangle. I deem it appropriate to situate the project for the provision of offsite infrastructural facilities at Réduit Triangle in its proper perspective.

I would like to emphasise that these works are being undertaken to provide vehicular access and utility services to all the developments, both current and future, within the Réduit Triangle. Besides, the planning has been done in such a manner that the infrastructure development will also cater for the proposed Administrative City in Highlands. I would also like to remind the hon. Member that the Moka-St. Pierre road is over-congested, and this particular development will significantly absorb that traffic flow from Telfair roundabout to Réduit grade separated junction. The total costs of the off-site works is Rs249,860,370.

The State land at the Réduit Triangle has been allocated to 17 institutions and, as per conditions of the Ministry of Housing & Lands, each beneficiary has to contribute towards the provision of these facilities.

In the case of Apollo Bramwell Hospital, the latter has agreed to contribute Rs32.8 m., out of which Rs15.9 m. has already been paid to the relevant authorities.

Apollo Bramwell Hospital has independently paid to the CEB an amount of Rs1.6 m. to extend its distribution network for the provision of the specific electricity supply necessary for the operation of the hospital.

**Mr Lesjongard:** Mr Deputy Speaker, Sir, can the Minister confirm whether an agreement was reached between Government and Apollo Bramwell Hospital for a reduced rental of Rs100 per *arpent* of land against the cost of infrastructural works which amounted, at that time, to some Rs80 m.?

**Mr Bachoo:** Mr Deputy Speaker, Sir, I would request the hon. Member to address his question to the Minister concerned, because that concerns the Ministry of Housing & Lands.

**Mr Lesjongard:** Mr Deputy Speaker, Sir, can I ask the hon. Minister whether the costs he has just mentioned concern access to only Apollo Bramwell Hospital or to other sites to be developed in that area?

**Mr Bachoo:** Mr Deputy Speaker, Sir, I have already mentioned that this road has not been designed for any specific purpose for the hospital. This road has been designed for all the users of that region and I have also mentioned that it is going to absorb the major part of the traffic that comes from the eastern side of the country.

**Mr Lesjongard:** Mr Deputy Speaker, Sir, can the hon. Minister confirm whether this is a branch road leading just to Apollo Bramwell Hospital?

**Mr Bachoo:** If the hon. Member lives in this country he knows that this is the way that leads to Highlands!

#### **FESTIVAL CREOLE – FOREIGN ARTISTS**

**(No. B/1117) Mr G. Lesjongard (Second Member for Port Louis North & Montagne Longue)** asked the Vice-Prime Minister, Minister of Tourism, Leisure and External

Communications whether, in regard to the local and foreign artists who will perform for the Festival Créole musical show this year, he will give a list thereof, indicating -

- (a) how the selection exercise was carried out, and
- (b) the respective *cachet* for the local and foreign artists.

**The Minister of Local Government, Rodrigues and Outer Islands (Dr. J. B. David):**  
Mr Deputy Speaker, Sir, with your permission I am replying to the question.

With regard to parts (a) and (b) of the question, I wish to inform the House that the list of the local and foreign artists who will perform at the Festival Creole Musical Show this year as well as the *cachet* payable have not yet been finalised.

**RIVIERE DES ANGUILLES - FOOTBALL GROUND  
- LIGHTING FACILITIES**

**(No. B/1118) Mr S. Mohamed (Third Member for Rivière des Anguilles & Souillac)** asked the Minister of Youth and Sports whether, in regard to the project for the installation of lighting facilities on the premises of the football grounds in Rivière des Anguilles, he will state when same will be implemented.

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

I am informed by the Grand Port/Savanne District Council that the project for the provision of lighting facilities at Rivière des Anguilles football ground will be implemented during the next financial year.

**Mr Mohamed:** Mr Deputy Speaker, Sir, is the hon. Minister aware that this project of providing lighting facilities to the Rivière des Anguilles football ground was promised by the former Minister of Youth and Sports in this august Assembly more than a year ago? If that is the case whether he would see to it that this project is not once again just promised and postponed?

**Dr. David:** We always fulfil our promises.

## HALAL CERTIFICATION- LEGISLATION

**(No. B/1119) Mr S. Mohamed (Third Member for Rivière des Anguilles & Souillac)** asked the Minister for Consumer Protection and Citizens Charter whether, in regard to Halal Certification, he will state if Government will consider bringing new legislation to -

- (a) making it compulsory for all foods sold in Mauritius to be certified Halal or non-Halal, and
- (b) statutorily empowering one central authority to become the Halal Certification Authority with policing powers.

**The Minister of Health & Quality of Life (Dr. R. Jeetah):** Mr Deputy Speaker, Sir, with your permission I shall reply to this question.

My Ministry proposes to amend the Food Legislative Framework which consists of the Food Act of 1998, the Food Regulations of 1999 and the Food (Amendment) Act of 2004.

The objective of the proposed amendments to the Food Legislation is to provide for the modernisation of the national food control process, the consolidation and harmonisation of the law with relevant international guidelines and recommendations, and to promote food safety, food hygiene and trade standards. Furthermore, there is a need to safeguard nutritional and consumers' rights, public security, health and national food stock protection.

In this connection, an inter-ministerial workshop was organised in September 2009 and the proposed amendments to various existing provisions as well as the introduction of new provisions were discussed. Subsequently, a meeting was held with the private sector representatives.

The main proposals for amendments to the food regulations include, amongst others, new terms and standards for -

- (i) vegetarian and halal food;
- (ii) permissible melamine level in milk, milk products and infant milk;
- (iii) bromate level in bottled water;
- (iv) used oil and blended oil, and
- (v) pasteurized milk.

With regard to part (b) of the question, new provisions in respect of enforcement will be introduced to ensure that the new standards are strictly adhered to.

**Mr Mohamed:** Mr Deputy Speaker, Sir, in view of the provisions of the law that are envisaged, can I further ask the hon. Minister which authority will be the policing authority to issue certificates of halal compliance?

**Dr. Jeetah:** The Ministry of Health, Mr Deputy Speaker, Sir.

**Mr Mohamed:** Mr Deputy Speaker, Sir, can I also ask the hon. Minister the following: since it is known to one and all that the only two authorities, including the Jummah Mosque in Mauritius that have the ability to expertise and experience, and also Mr Makhoojee, that they be not cast aside when such regulations are brought in, but that with their expertise they be included within that authority to certify the food being halal or not, because they have the experience? Can they not be brought in within the organisation, that is, the policing authority?

**Dr. Jeetah:** Mr Deputy Speaker, Sir, we have had wide consultations and we probably would include the persons mentioned, but it would be the Ministry of Health that would be the authority to issue certificates.

**Mr Varma:** Mr Deputy Speaker, Sir, could the hon. Minister inform the House whether it is being envisaged to extend that to vegetarians certification as well?

**Dr. Jeetah:** Yes, Mr Deputy Speaker, Sir, I did mention that. In fact, the first point I mentioned was vegetarian as well as halal food.

#### **G20 MEETINGS – SMALL ISLAND AND DEVELOPING STATES**

**(No. B/1120) Mr S. Mohamed (Third Member for Rivière des Anguilles & Souillac)** asked the Minister of Foreign Affairs, Regional Integration and International Trade whether, in regard to the creation of the G20 and the absence of the voice of the Small Island and Developing States at the meetings of the G20, he will state the stand taken by Mauritius.

**Dr. Boolell:** Mr Deputy Speaker, Sir, I will seek your indulgence because the reply tends to be quite a long one.

**The Deputy Speaker:** You can circulate it.

**Dr. Boolell:** Do you want me to circulate it?

**The Deputy Speaker:** If it is lengthy, according to the Standing Orders, you ought to circulate it.

**Dr. Boolell:** Mr Deputy Speaker, Sir, I'll then circulate the reply. **(Appendix II).**

**Mr Mohamed:** Mr Deputy Speaker, Sir, since I haven't had the honour of being privy to the answer that would be circulated, may I, at least, try to be more specific in a subsidiary question. It is a fact that the G20 at the G20 Meetings, though it is formed in 1999 and the global financial crisis that came up in the meeting in London and Petersburg, it is a fact that the small island States of which we form part, there is not a member of the G20. What steps would the hon. Minister consider taking, at least, to make it known that the small island States must have a role at the G20 for it to be less of an organisation where people are chosen to be part of it on an arbitrary manner?

**Dr. Boolell:** We use bilateral and multilateral means to put our case across very forcefully. I can say that we have been rather successful and, of course, I don't have to highlight the lobbying waged by the Vice-Prime Minister to reach out to as many Ministers and different capitals and to sensitise them as to the relevance of Small Island Developing States.

Having said so, when we attended the UN Conference and in the margin of the conference we did participate as a member of the OASIS to highlight issues which are relevant to Small Islands Developing States and we used our platform to ensure that we also speak to people whose main concern is to address Small Islands Developing States issues - and I don't have to highlight those issues like climate change. We also made it quite clear to them that it is not fair. Sometimes fingers are pointed at small jurisdictions however cooperative they are.

**Mr Dowarkasing:** Mr Deputy Speaker, Sir, I am sure that the hon. Minister must be aware of the G20 agreement. Leave aside the Small Islands Developing States, even sub-Saharan Africa has been mentioned only once in that report and that also just to renew a pledge that already existed, will he agree that we have been completely ignored by the G20? This is not so, unless my friend has not been apprised. As a member of SADC, for example, Trevor Manuel was the spokesperson of Small Islands Developing States. I don't have to highlight meetings which we had with hon. Malloch Brown who is the Minister responsible for Africa, United



Nations and Asia and we did put across our case very forcefully, the reason as to why today we've been able to obtain through Flex Rs500 m. It is precisely because of the amount of money disbursed and foreign commitments given at G20 by world leaders.

**Mr Mohamed:** Having listened to the hon. Minister regarding all the works that are being done in Government in order to make the voice of Small Islands Developing States heard, be that as it may, may I ask the hon. Minister to look into the possibility of not only sitting on the fence outside the group of G20, but specifically and formally asking that Small Islands Developing States be part of the G20 movement whenever they meet the next time, just as the European Union is and not simply basing our hopes on what may be discussed by the representative of Nepad or not just basing our hopes on what may be discussed there in the interests of developing countries, Small Islands Developing States, specifically Mauritius, by the representative of South Africa who was President Zuma at the last occasion. But being there since we have specific problems, our own specificities, a formal request both to President Obama and also to Prime Minister Brown that when he says a global solution should be found within the G20 for global problem, global should also, therefore, include Small Island Developing States.

**Dr. Boolell:** I think this is a fair point. The Small Islands Developing States represent 20% of the UN membership. Having said so, whenever there is joint preparatory meetings, be it at the Commonwealth, Francophonie or at the Tikad, we make sure that our voice is heard loud and clear and we conveyed the message, but, nevertheless, I do grant you since there are issues which are specifically relevant to Small Islands Developing States, the climate change, Mauritius, together with Maldives, were very forceful at this conference which was held in the margin of the UN General Assembly Summit 2 even on financial issues because, of course, as a co-operative clean jurisdiction, we hate anybody pointing the finger at Small Islands Developing States. But having said so, where do we start? It is G20. Will it become plus, plus, plus? We have to make sure that we are heard loud and clear.

**Mr Bérenger:** The hon. Minister has mentioned the Maldives. The Maldives are holding a conference yesterday and today of the most vulnerable Small Islands States and others. Have we shown any interest? Have we been invited?

**Dr. Boolell:** No, we constantly make it a point to liaise with our friends and when we had that conference which was held in New York, we were party to all decisions taken. Not only

that, but we made sure that we also brought amendments to the draft communiqué which was circulated. We do understand the difficult situation of countries like Maldives and other pacific islands. These countries are about to go down under and it is a fact.

*(Interruptions)*

You don't have to be there physically. I mean, today we can always...

*(Interruptions)*

It is not *bla bla bla*; it is fact-based and substance...

*(Interruptions)*

**The Deputy Speaker:** Hon. Minister, please address the Chair! Order! I would like to have some order in the House.

*(Interruptions)*

**Dr. Boolell:** No, this is not true! What the hon. Member is saying is a lot of bluff and we are in the habit of calling his bluff, Mr Deputy Speaker, Sir.

**The Deputy Speaker:** Hon. Minister, please!

**Dr. Boolell:** I would advise the Leader of the Opposition to take stock of harsh realities. He is the one who is going bonkers.

### **MSPCA – BOARD COMPOSITION**

**(No. B/1121) Mrs S. Hanoomanjee (Second Member for Savanne & Black River)** asked the Minister of Agro Industry, Food Production and Security whether, in regard to the Board of the Mauritius Society for the Prevention of Cruelty to Animals, he will state its composition, indicating the date of appointment of its Chairperson and of each of its Board members.

**Mr Faugoo:** Mr Deputy Speaker, Sir, the Mauritius Society for the Prevention of Cruelty to Animals, the MSPCA has no Board as expressed in the question. In fact, section 10 of the MSPCA Act provides that the Society shall be managed by a Council to be constituted as follows

—

- (a) 18 members elected every 2 years at the Annual General Meeting of the MSPCA;
- (b) one representative of the Ministry of Agro Industry, Food Production and Security;
- (c) one representative of the Ministry responsible for the subject of environment, and
- (d) two other persons to be nominated by the Minister.

The Chairperson and Vice-chairperson are elected every two years by the members of the Council. I am advised that the 50<sup>th</sup> Annual General Meeting of the MSPCA was held on 28 August 2008 when the 18 representatives to the MSPCA Council were elected by secret ballot and the Bureau for 2008-2009 was constituted.

I am tabling the composition of the Council.

**Mrs Hanoomanjee:** Mr Deputy Speaker, Sir, can I ask the hon. Minister whether he is aware because I drew attention in a previous PQ to the fact that members of the Council are, at the same time, members of a *Fédération* known as *Fédération Canine Centrale* and whether he has taken stock of the fact that members of the Council are sitting there and are creating confusion as to the role of the MSPCA and the role of the *Fédération Canine Centrale*?

**Mr Faugoo:** Mr Deputy Speaker, Sir, there is no existing law in Mauritius which forbids a person, any individual, any citizen to be member of two different institutions, especially when it is registered with the Registrar of Associations, that is, MSPCA is governed by the Council and FCC is governed on its own because it is a registered association. If some members belong to both institutions and there is conflict, it is up to them, on moral grounds, to resign, but, as Minister, I don't have any law which I can apply to ask them to resign from either of the institutions.

**Mrs Hanoomanjee:** Can I ask the hon. Minister whether he has had legal advice to say that in spite of the fact that there is conflict of interests between the members of the Council of MSPCA and members of the *Fédération Canine Centrale* whether, in spite of that conflict of interests, he cannot do anything?

**Mr Faugoo:** I went through the file last time following the Parliamentary Question. I don't see any conflict of interests which would require members to resign. As I said, the FCC is giving certificate on pedigree. This is something different. It does not come under the purview

of the MSPCA. MSPCA, in the Act of Parliament under which it is governed, the powers and the functions are there, it is well-defined and there is no question of pedigree for MSPCA. It is something which is not regulated yet. We are working on a law, we have already written to the State Law Office to bring an Act of Parliament or regulations may be – an Act of Parliament or regulations to regulate that particular activity, but as far as we don't have a particular regulation, Mr Deputy Speaker, Sir, we cannot control the activities of the FCC.

**Mrs Hanoomanjee:** Can I ask the Minister whether he is aware that circular letters are being issued by members of the *Fédération Canine Centrale* to members of the public asking them to register their dogs whilst using the name of the MSPCA? I have got here a circular letter which has been issued and where the phone number of the MSPCA has been given. I even checked yesterday, I phoned on this number to know whether it was the number of the *Fédération Canine Centrale* or whether it was the MSPCA and it was confirmed that it was the MSPCA. Does the Minister find it normal and doesn't he find any conflict of interests that these members are even using *les locaux de la MSPCA pour leurs réunions*? For him there is no conflict of interests?

**Mr Faugoo:** Mr Deputy Speaker, Sir, I don't have any copy of this circular letter. If she has, she has got three things to do. First, she should go to the Registrar of Association, give them a copy and ask them to take action. Second, she should go to the Police and make a declaration, if there is some criminal activity and this is in conflict with Act of Parliament which governs MSPA. Third, she should lay a copy on the Table of the Assembly and I shall take action thereupon if there is something incriminating.

**Mrs Hanoomanjee:** Yes, Mr Deputy Speaker, Sir, I will lay a copy of this on the Table of the Assembly. But, what I find strange is that in spite of all my efforts to open the eyes of the Minister on a very big scandal, he does not want to open his eyes. I can refer to his previous reply to the PQ where he said that the MSPCA is none of his business. Then, whose business is that?

**Mr Faugoo:** Mr Deputy Speaker, Sir, as I said, I cannot dictate the activities of the FCC. In fact, following the question which was an eye opener to me, I put a communiqué in the press informing the public in general and especially the dog breeders that we have nothing to do with the FCC and the FCC is not recognised by the Ministry. But, in the absence of any law governing

or regulating their activity, we can't do otherwise. This is why I even said last time that we are going to work on a law and until we get the law, we cannot do otherwise.

**Mrs Hanoomanjee:** I fully understand the hon. Minister when he says that the FCC is none of his business but, is the MSPCA also none of his business? Because if the MSPCA is allowing other people to come and have their meetings there, use the phone number of the MSPCA, is that none of his business as well? I am laying a copy of this on the Table on the Assembly.

**Mr Faugoo:** The hon. Member is repeating the same thing, I don't have that document. Last time, she put a question and I took action. If she lays a copy on the Table of the Assembly, I will take the appropriate action, Mr Deputy Speaker, Sir. I am not here to condone any activity either by the MSPCA or by the FCC which is against the law. I am going to take action, but provided I get a copy of the letter.

**The Deputy Speaker:** I will allow two final questions. Hon. Bhagwan!

**Mr Bhagwan:** Can I ask the hon. Minister whether he has inquired or his attention has been drawn that there is big money at stake there? There is a lot of corruption and big money on selling breeds. This is real and I will ask the hon. Minister, being given that he is responsible for the welfare of animals, that the pretext is not used to use the MSPCA as a base for making money by people who are in both associations. I raised that issue when hon. Dr. Boolell was responsible for agriculture.

**Mr Faugoo:** Mr Deputy Speaker, Sir, in fact the FCC had put a communiqué in response to the one that we had put. They have said -

*« suite au communiqué du ministère de l'agro industrie, de la production et sécurité alimentaire, la FCC tient à informer le public en général que la FCC n'a jamais fait de demande pour quelque redevance, que ce soit pour l'enregistrement des chiens auprès des éleveurs non-adhérents de la fédération. »*

So, this was for the public! I don't know if they read this communiqué. In the absence of any evidence or complaint which is addressed either to the Ministry or to me, I cannot take action, Mr Deputy Speaker, Sir.

**The Deputy Speaker:** Last question, hon. Varma!

**Mr Varma:** Thank you, Mr Deputy Speaker, Sir. The hon. Minister has made mention of the MSPCA Act and pure-breed dogs. Will the hon. Minister consider the advisability of amending the law to include pure-breed dogs in the legislation?

**Mr Faugoo:** In fact, this is what I had said last time when I was answering to the previous PQ. We are, in fact, studying the law, and we are going to bring amendments in the law to that effect.

### **PRIVATE SECTOR - ADDITIONAL STIMULUS PACKAGE**

**(No. B/1122) Mrs S. Hanoomanjee (Second Member for Savanne & Black River)** asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the Mechanism for Transitional Support to the Private Sector, in the context of the Additional Stimulus Package, as announced in December 2008, he will state the –

- (a) number of enterprises which have, as at to date, benefited therefrom, and
- (b) amount of money disbursed by Government, indicating –
  - (i) the names thereof;
  - (ii) the number of employment saved by the implementation of such a measure, and
- (c) if any of these enterprises has laid off workers during the period December 2008 to date.

**The Vice-Prime Minister, Minister of Finance and Economic Empowerment (Dr. R. Sithanen):** Mr Speaker Sir, as the House is aware, I did mention in the last Budget Speech that the Additional Stimulus Package, (ASP) was not and is not about doling out money. I need also to stress that it is primarily about investing in equity or providing loans both of which should provide a return to the taxpayers. It is about Government investing responsibly and carefully to save jobs and to show up economic activity.

As the House is also aware, last year, by December 2008, when the Government introduced the ASP it was then already 15 months since the financial crisis had been creating

havoc in the major financial centres. There were also major uncertainties in the export markets and deepening of the economic crisis.

In the wake of the continuously deteriorating economic outlook, Government held intensive consultations with all sectors of the economy to formulate a policy response that focused on at least 20 areas of intervention as announced under the Additional Stimulus Package. We thus prepared ourselves to face the economic downturn with confidence, more so as our economy had become resilient due to the earlier reforms undertaken.

It is also to be noted that with uncertainties in the export market, a number of our enterprises were at that time experiencing successive drops in their confirmed orders which resulted in companies facing financial difficulties with the risk of people losing their jobs.

The Mechanism for Transitional Support to the Private Sector (MTSP) financing was one of the measures under the Additional Stimulus Package aimed at rescuing companies which were in financial difficulties and were at the point of breaking down.

The Scheme is to assist manufacturing companies in difficulty to enable restructuring. Support is also provided to companies which are assets rich and cash poor by way of sales and lease back of fixed assets of the company in financial difficulty. Those companies, having a viable future, but requiring assistance may apply for funding to the MTSP.

The MTSP Committee appoints an Independent Financial Analyst (IFA) to work, in collaboration with the company and its bankers a rescue package for the company that also determines the burden sharing.

I am informed, Mr Deputy Speaker, Sir, by the MTSP Committee as at to date, nine companies that were in serious financial difficulties could have closed down or been put under receivership, had they not received assistance under the scheme. They have received funding to a total amount of Rs168 m. which has collectively saved a total turnover of more than Rs1.4 billion thus enabling them to continue business. The intervention alone under the Scheme has helped to rescue and preserve 3,067 direct jobs.

Mr Deputy Speaker, Sir, we all know that for direct job saved, there are also indirect employment that are saved. Thus the number of jobs preserved is well in excess of the figures for direct jobs.

As regards part (c) of the question, I am informed that none of the nine companies that have received assistance under the Scheme have laid off their workers, except for two which had done so well before December 2008, i.e. prior to announcement of measures under the Additional Stimulus Package and certainly well before they received assistance. I am now, in fact, informed that some of these companies are planning to employ more employees to support their production line as they have been able to turn around the situation.

As stated earlier to a reply which I gave to this Assembly we shall publish the name of companies having benefitted from the ASP on a periodic basis. We shall do so at the end of December 2009.

**Mrs Hanoomanjee:** *Mr Deputy Speaker, Sir, can the hon. Vice-Prime Minister say what has been the role of the SIC, qui était le guichet d'assistance prévu par l'Etat sous l'ASP? Est-ce que le vice-Premier ministre peut informer la Chambre si le SIC a fait l'achat des obligations émises par les entreprises en difficulté, et si c'est oui, pour quelle somme ?*

**Dr. Sithanen:** Mr Deputy Speaker, Sir, when the hon. Prime Minister and myself announced the ASP, we did mention that we needed flexibility to deal with the specific case that the enterprise finds itself. One of the solutions proposed was basically to adapt our response to the specifics of that enterprise. As I mentioned in the answer, there are some enterprises that are asset rich but cash poor. So, we introduced a Special Purpose Vehicles (SPV) that could purchase the assets and give that company cash. If my understanding is correct, I think in one specific case the SIC has swapped assets and given cash. Obviously, there is an agreement and after a particular period of time, if that company wants to buy back its assets, the SIC would oblige.

Let me, Mr Deputy Speaker, Sir, for the sake of clarity, mention that it is not the duty of Government through the SIC to purchase assets. But we need to protect the interest of the taxpayers and if we find that this is the best way to protect their interest, we will do it.

**Mrs Hanoomanjee:** Will the hon. Vice-Prime Minister say whether an evaluation of the impact of the ASP has been carried out by his Ministry and, if so, whether a report is there and what is the outcome? Can he say whether we can expect a withdrawal of the Stimulus Package soon?



**Dr. Sithanen:** I thought someone from our side would have asked this question. Thank you very much. The best evaluation has been made by the IMF recently in the context of Article IV. The second best evaluation has been done by the European Union in the context of the support they have given us, as just announced by my good friend, the Minister of Foreign Affairs. The third evaluation has been done by *Agence Française de Développement*. The Chairperson of the *Agence Française de Développement* will be in Mauritius the day after tomorrow to sign two agreements. So, experts have evaluated, and the words they have used is that we have done remarkably well. So much so, that some countries in Sub-Saharan Africa have requested the World Bank to organise *un séminaire* in Mauritius, in order to share experience; how we have been flexible and how we have also acted in a very prompt manner. By and large, it has been a very good response.

With respect to the second part of the question, it is a debate that is taking place all over the world. I watched Mrs Lagarde yesterday on hard talk, and she was very clear. She says that there are two sets of risks. On one side, *la reprise est molle, timide; il faut soutenir la reprise. Sinon, il y a des risques de pertes d'emplois, et des personnes pénalisées. De l'autre côté, il y a des risques de dérapage du déficit budgétaire ; il y a des risques d'une dette très élevée ; il y a des risques d'avoir trop d'argent dans l'économie avec des effets inflationnistes.* So, it is a balancing act. We will try to achieve this balancing act, Mr Deputy Speaker, Sir.

**Mr Jhugroo:** Can we know from the hon. Vice-Prime Minister whether Infinity Group is among the companies which have benefited or will benefit from this Stimulus Package?

**Dr. Sithanen:** Mr Deputy Speaker, Sir, as I said, we will publish the list of companies that have benefited from the stimulus package. But let me be very clear. There are strict rules; they need to pass the test. If they do not pass the test, they will not get it. If they pass the test, they will get it. I have told people that if they meet the criteria and can give collaterals, and if we believe that it is solvent but illiquid, we have to assume our responsibilities also. I have said we will publish the list of beneficiaries on a periodic basis, and I will publish it at the end of this year.

**Mr Dowarkasing:** Mr Deputy Speaker, Sir, the Vice-Prime Minister has stated that nine companies have benefited from this Stimulus Package. Can we know in which sector they operate? Does he have a breakdown of the sectors?

**Dr. Sithanen:** Textile, pharmaceutical, diamond and garment. Again, let me very fair. It was intended primarily for textile, clothing and tourism. There are some companies in tourism that have applied; so, it is a process. We have independent financial analysts that are looking at all the cases. Let me say also, Mr Deputy Speaker, Sir, that, very often, people mention only the direct support that is given to enterprises in order to measure the efficacy of the ASP. We have suspended 10 taxes that cost Rs515 m. When you suspend taxes, this means *il y a la trésorerie qui est disponible à ces gens*. The fact that they are getting additional income means that they have been able to cushion the adverse impact of the recession. The IMF has done all the exercises, Mr Deputy Speaker, Sir.

There is a third impact. The fact that the monetary policy has been eased has helped enterprises. So, we have to look at the seven components of the Additional Stimulus Package. Of course, the most visible part of the iceberg is the direct support given. There are also confidence building measures that have taken place. I have given this example on television last time. It is like in a circus. When the one who is taking some risk knows that he will have a *filet de protection*, that gives him additional confidence to face some of these risks.

The IMF has done a detailed assessment of what has been the impact of the Additional Stimulus Package. In fact, Mr Deputy Speaker, Sir, it is much better than we have anticipated when we came to this House and announced the ASP. We thought that the impact will be 1 to 1.5% of GDP. The report of the IMF says that it has had an impact of 1.5 to 2% of GDP. That is why we have done much better than what the IMF itself has stated at the beginning of the year.

**Mr Jugnauth:** Can the hon. Vice-Prime Minister say whether any SME has benefited from the package?

**Dr. Sithanen:** Mr Deputy Speaker, Sir, the SMEs have benefited under other scheme. Let me reassure the hon. Member. None of the big boys, either, have benefited. Beachcomber has not benefited, Sun International and Constance have not benefited. In textile, Ciel Group and CMT have not benefited. I do not know where hon. Jugnauth will place the small diamond factory, which is run by one gentleman in Floreal. I do not know where he will put Beachwear. Beachwear is probably between medium and not so medium. The big ones have not benefited from it, Mr Deputy Speaker, Sir. Rogers and IBL have not benefited. The small ones have benefited from other scheme under the Stimulus Package. There is a question I think - I do not

know whether it is by hon. Jugnauth himself or Mrs Hanoomanjee - on the SME Partnership Fund. We will come to that. Very often, people make the mistake, believing that there is only one component, which is the direct support to enterprises. There is a variety of instruments that are being used. One reason why we have been commended by the African Development Bank and the World Bank, is the flexibility of the instruments used as there is no one `.

**Mrs Hanoomanjee:** Mr Deputy Speaker, Sir, I think I heard the hon. Vice-Prime Minister mention the number of direct jobs which have been preserved. But the last part of my question relates also to the number of workers who had been laid off in enterprises which have benefited from the Stimulus Package. I do not think I heard him reply on this issue.

**Dr. Sithanen:** I have replied; I have gone much further, hon. lady. I said that, since that they have started benefiting from the ASP, there has not been a single *licenciement* by companies. And because they have done well, as a result of the ASP, they have started to employ more people.

**Mr Jhugroo:** Can I know from the hon. Vice-Prime Minister why the pharmaceutical companies will benefit from the Stimulus Package when we know that most of the medicines and drugs are imported from other countries?

**Dr. Sithanen:** I do not know whether there is a perceived conflict of interests in this question. But, let me reassure the hon. Member, Mr Deputy Speaker, Sir, that there are strict guidelines, principles that need to be adhered to. We have ensured, in the overwhelming cases, that the interests of the taxpayers are protected. Hon. Mrs Hanoomanjee was talking about asset evaluation. We had a big fight with that company. It wanted to value the property at X. We reached an agreement at 0.5 X. In fact, as I said, it is a balancing act. I need to protect the interests of taxpayers but, very often, people who are in deep trouble say that the Ministry is being difficult, and that they are in difficulties. There are many of them that have been turned down, because we believe that either there is no long-term prospect for that company or the collateral, the security or guarantees given are not acceptable to Government.

**Mrs Dookun-Luchoomun:** Mr Deputy Speaker, Sir, I heard the hon. Minister list hotels which did not receive any support. Will the hon. Minister agree to give us the names of the hotels that had actually benefited from the support?

**Dr. Sithanen:** There is none. The hon. Member should listen! I have mentioned textile, clothing and pharmaceutical. What I have said is that some hotels have applied under a different scheme. For instance, we are supporting small hotels to upgrade their facilities. It is a different scheme. If the hon. Member come with a question, we will give the answer. In fact, we have already answered this question last time, and we gave the number of hotels that have applied and the number which have benefited.

**Mr Dowarkasing:** Mr Deputy Speaker, Sir, I am interested in the reply given by the hon. Minister concerning the pharmaceutical company that benefited. I just want to know how pharmaceutical companies have been affected by the crisis where they have a guaranteed price for the sale of their medicine on the local market.

**Dr. Sithanen:** I will ask them to write a detailed assessment report on how the pharmaceutical industry has been affected by the recession.

**The Deputy Speaker:** Thank you. Next question, please!

#### **PRIVATE SECTOR - EXPORT CREDIT INSURANCE SCHEME**

**(No. B/1123) Mrs S. Hanoomanjee (Second Member for Savanne & Black River)** asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether he will state if an Export Credit Insurance Scheme (ECIS) has been set up under the Mechanism for Transitional Support to the Private Sector and, if so, indicate -

- (a) if tenders were launched requesting insurance companies to submit proposals;
- (b) the names of the insurance companies which submitted quotations, and
- (c) details on the proposals retained.

**The Vice-Prime Minister, Minister of Finance and Economic Empowerment (Dr. R Sithanen):** Mr Deputy Speaker, Sir, I refer the House to the reply I gave to Parliamentary Question No. B/821 in July 2009, on this issue. I had stated that during the period of financial crisis and uncertainties in the export market, insurance companies were not providing adequate insurance cover to exporting companies. This inadequate insurance was impacting negatively on the export financing facilities of both SMEs and large companies. This phenomenon was not

unique to Mauritius. In fact, as I said, to ease the situation, countries like Spain, France had set up Government backed-top-up insurance covers. Such sovereign backed insurance covers protect further trade receivables and enhances access to credit.

It was precisely to give additionality of insurance cover that we announced the introduction of an Export Credit Insurance Scheme in the May 2008 Budget Speech. The scheme was proposed after due consultation with industry operators.

Insofar as the status of the implementation is concerned, I am informed by the MTSP Committee that this has been carried out in two phases as it does not itself has the expertise to operate it.

First, following a bid exercise in August 2009, it retained the services of a consultant to prepare bid documents that were to be used to call for tenders to set up the export credit guarantee scheme.

Second, once the bid documents were ready, tenders were floated end September 2009. I am informed that three bids have been received which are currently being evaluated.

**Mrs Hanoomanjee:** May I know from the hon. Vice-Prime Minister what were the specifications – briefly - of these tenders?

**Dr. Sithanen:** Is the hon. Member talking about the first one or the second one? Mr Deputy Speaker, Sir, we do not have expertise in Mauritius. It is credit agencies like Coface and Hermes that have these facilities. So, we worked in collaboration with the French Authorities to get an idea of what needs to be done. And it was on the basis of this collaboration that we identify a Consultant and that Consultant has helped us to prepare what is required to launch the bid. The bid has been launched. I understand there are three bidders and now the committee will assess the different bids and make a decision as to which company should receive this contract and then they would go on the international market and seek for credit insurance.

**Mr Jugnauth:** Can we have an idea when this scheme will be implemented?

**Dr. Sithanen:** It is a difficult one, Mr Deputy Speaker, Sir. The problem is that before the crisis firms were getting credit facilities up to 80% of their trade value, now they are having only 40%. There are three problems. One is the country to which you export; second is the sector in which you operate, and third is the firm risk. It is quite expensive. In France, it has

cost Government a lot of money and that is why we call it a top-up. Government has intervened in order to top-up so as to guarantee at least 80% of receivables. So, it is not easy to get cover internationally for the insurance. We have not been able to get cover in Mauritius. So we have to go in the international market. We have been able to have a cover and there are two ways of doing it. Either, you pay a high premium and you get the cover or you pay a low premium and the cover is restricted. There was another proposal, Mr Speaker, Sir, by the Committee, in that you create a fund if some companies are affected, you draw from this fund to compensate companies that are affected. Having said that, I would like to inform the hon. Member that the credit situation has eased a bit and some of the companies in textile and clothing are doing better than expected initially.

**Mrs Hanoomanjee:** I understand it is a long process. It has taken a very long time, but can I ask the hon. Vice-Prime Minister, whether this scheme will stand good even after withdrawal of the Stimulus Package?

**Dr. Sithanen:** No, why is the hon. Member assuming after withdrawal. There is a lot of, maybe good intentions but often they are misguided. The Stimulus Package has many components. It is clear that some components will be reviewed, some readjusted; it will depend on the need of textile and garment and the operators. If they think that the market situation has improved and they can increase the 40% threshold to 75%, maybe, they will not take it themselves. But, we have taken the responsibility to offer this facility to them. That is why I have said initially, flexibility is very important.

#### **LA RETRAITE ROAD - UPGRADING**

**(No. B/1124) Mr S. Dayal (Second Member for Quartier Militaire & Moka)** asked the Minister of Local Government, Rodrigues and Outer Islands whether, in regard to the La Retraite Road which is about 900 m. long and 6 m. wide and which links Circonstance Saint Pierre to Rivière Baptiste, La Laura, he will state if Government will consider the advisability of the upgrading thereof to facilitate access to the inhabitants thereat.

**Dr. David:** Mr Deputy Speaker, Sir, I am informed by the Moka/Flacq District Council that La Retraite Road which links Circonstance, Saint Pierre near NHDC to Rivière Baptiste, La Laura is still privately owned.

**Mr Dayal:** Mr Deputy Speaker, Sir, I have a letter in my possession whereby Mon Désert Alma has written to the Moka/Flacq District Council, whereby it has no objection to its request to list *Chemin de la Retraite* as a classified road. Therefore, I would like to make a request to the hon. Minister, if he could liaise with the relevant authorities because this road will create a very good diversion as the road from Circonstance to l’Avenir is a very busy road and at places it is so narrow and no possibility for enlargement and it will connect the village of La Laura to St Pierre. There are so many facilities that the village of La Laura can avail themselves of.

**Dr. David:** Mr Deputy Speaker, Sir, in fact there is a letter saying that -

*“It might be considered as a classified road”.*

Consequently, it falls under the Ministry of Public Infrastructure. But, I will try to help.

#### **ASSEMBLÉE DE DIEU - INCORPORATION - LEGISLATION**

(No. B/1125) **Mr E. Guimbeau (First Member for Curepipe & Midlands)** asked the Attorney General whether, in regard to the legislation for the incorporation of the *l’Assemblée de Dieu*, he will state where matters stand.

**Mr Valayden:** Mr Deputy Speaker, Sir, my office is preparing a comprehensive paper to deal holistically with other similar requests from different religious groups and by mid-December, we shall start proactive consultation.

**Mr Guimbeau:** Mr Deputy Speaker, Sir, I would like to know from the Attorney General, why does it take so long? The Bill was deposited by me in November 2006 and, up to now, nothing has been done. My friend, hon. Surendra Dayal, has deposited a similar Bill and it was passed one month later. Maybe, the Attorney General can explain.

**Mr Valayden:** These are two different issues. I will not answer the second limb, but on the first, the motion proposed by the hon. Member of Curepipe is very complex in the sense that

it proposes a sort of *clergé* and we are looking at and it does take time because we have also received representations from other *Pencôtistes* group, so much so that we have to look into and I don't want to make any comment on other groups at this stage.

**Mr Guimbeau:** The Attorney General should have known that it was a complex issue, because before the 2005 General Election, both himself and hon. Xavier Luc Duval went to see the president - *le Pasteur*, Lindsay Blackburn, and promised to him that once they would get into power, they would pass the Bill. I would like, Mr Deputy Speaker, Sir, if you allow me, to read the letter of the president of *l'Assemblée De Dieu*, addressed to the Prime Minister, where it states - "Hon. Xavier Duval called on me before the General Election of 2005 and said that you, the Prime Minister, has promised to pass that Bill as soon you would come into power". This is a typical electoral bribe, Mr Deputy Speaker, Sir.

*(Interruptions)*

**Mr Valayden:** I don't agree with my hon. friend on the issue of electoral bribe. It is a complex issue, we have promised and we are looking into and we will do what we have to do.

*(Interruptions)*

**Mr Deputy Speaker:** Hon. Guimbeau, first!

**Mr Guimbeau:** It is. Because of the 3%, the *Alliance sociale* won the last general election. It is with the support of *l'Assemblée de Dieu*. This is why I say, it is not fair, Mr Deputy Speaker, Sir. Government is going to wait until early next year before the general election and they are going back to do the same promises just to get votes. That is not fair, Mr Deputy Speaker, Sir.

**Mr Valayden:** This is a statement, I will not answer.

**Mr Ganoo:** Mr Deputy Speaker, Sir, I myself asked the same question some one year ago to the Attorney-General concerning the same organisation and the same answer was given by the Attorney General one month ago. Can I ask the Attorney General what is the difficulty? Because there are so many precedents of other religious bodies by way of Private Members' Motions having come to this House and having been adopted. What is the difficulty with that particular organisation? If we go through our Statute book we will see dozens and dozens of similar cases in the past of other religious bodies, other religious organisations.



**Mr Valayden:** Mr Deputy Speaker, Sir, we have received representations and different representations have been made which are not uniform. This is why we are considering it, it will take time. I said that by mid-December we are going to have proactive consultation.

**Mr Guimbeau:** If you would allow me, Mr Deputy Speaker, Sir, I would like to table the letter of the president, Mr Blackburn, addressed to the Prime Minister.

**Mr Dowarkasing:** Mr Deputy Speaker, Sir, the hon. Attorney General said in his reply that it is complex. Can we know of what complexities is the Attorney General referring to when he is stating this legislation *concernant l'Assemblée de Dieu*?

**Mr Valayden:** The complex side of it in the proposal is to have a sort of *clergé* and schedule. We will have to look into it so that we don't have a system where there will be an inbuilt group of persons that will continue to lead. I do not want to enter into that debate. We will have a comprehensive paper first and then we will have consultations so that we can, at least, have a consensus around that subject.

**Mr Guimbeau:** Est-ce que l'*Attorney General* peut prendre l'engagement devant cette Chambre qu'avant les prochaines élections générales, *the Bill will be passed in this House* ?

**Mr Valayden:** I don't know the date of the general elections, Mr Deputy Speaker, Sir. How can I answer?

**The Deputy Speaker:** Next question, please!

## MONT ROCHES – SEWERAGE FACILITIES

(No. B/1127) Mr M. Allet (Second Member for Beau Bassin & Petite Rivière) asked the Deputy Prime Minister, Minister of Renewable Energy and Public Utilities whether, in regard to the region of Mont Roches, Beau-Bassin, he will, for the benefit of the House, obtain from the Wastewater Management Authority, information as to if there is any project for the implementation of sewerage facilities thereat and, if so –

- (a) when works are expected to start and
- (b) the estimated cost thereof.

**The Deputy Prime Minister:** Mr Deputy Speaker, Sir, with your permission, I will answer to Parliamentary Question Nos. B/1127 and B/1175 together.

I am informed by the Wastewater Management Authority that part of Mont Roches is already connected to the public sewerage network and further house connections, for which applications have been received are currently being undertaken, whenever it is technically feasible.

Regarding the unsewered areas of Mont Roches, I am informed that sewerage works are being undertaken within the scope of the ongoing Phase 1B of the Plaines Wilhems sewerage project. This project also covers the regions of Plaisance, Roches Brunes and West Rose Hill.

Works under this contract started in December 2008 and are expected to be completed by December 2012. Works in Mont Roches started in mid-September 2009 and are expected to be completed by December 2010 and will involve the construction of 6 km of sewer pipe lines, 700 house connections and replacement of 1.4 km of CWA pipe lines. The cost of the works at Mont Roches is estimated to be Rs78 m.

Mr Deputy Speaker, Sir, following representations made by hon. Allet regarding sanitation problems, I have requested the WMA to consider including the area between Raymond Rivet Street and Verger Pitambar in the ongoing project.

**Mr Allet:** Je remercie le *Deputy Prime Minister* d'avoir prêté l'oreille en tant que député de l'endroit, surtout pour la région de Mont Roches où il y a des habitants qui ont des revenus très modestes. Je demanderai au *Deputy Prime Minister* s'il pourrait donner des facilités à ces habitants vu qu'ils ont des revenus modestes et, d'après ce que je comprends, ces personnes paient à peu près R 4,000 par semaine pour pomper l'eau. Serait-il possible qu'ils aient un service gratuit jusqu'à ce que le projet arrive à sa fin ?

**The Deputy Prime Minister:** I cannot promise a free service, but I'll certainly consider the request and put it to the WMA.

**Mr Bhagwan:** I have a question on the same item. The Deputy Prime Minister has just replied that work has started on the second leg as to the new project at Mont Roches, which is not true. Work has not started at Mont Roches. Work has started at Roches Brunes. *On a fait le tracé des chemins où il y aura la canalisation.* People have been made to understand that works

will take some time. Would the Deputy Prime Minister insist upon the Wastewater Management Authority to, at least, inform through the press, or the radios, the people of the region of the time schedule of this project?

**The Deputy Prime Minister:** Mr Deputy Speaker, Sir, the point is well taken. I met the WMA contractor this morning and he gave me the name of a few streets within the unsewered area where works have already started and I also retain the proposals made today and from previous questions where works we should liaise with the public and inform them especially about the difficulties arising from these works and minimising them as far as possible. I'll communicate to Members of the Constituencies Nos. 19 and 20 the address and number of the person responsible for liaison with the public.

**Mr Bhagwan:** Can we also be provided with a chart of the regions comprising the streets on the implementation schedule so that we also can help? Very often, the contractor calls upon us to inform the inhabitants of the different works which are planned. We can also help on our side. I'll come on the second leg. Would it also be possible – being given that there is a development in the region, this is an environment problem – that the Wastewater Management Authority attend to emergencies, not only when people call upon them, but that they also should send their inspectors, as a matter of priority, being given that it is an environment problem, to the region and see where there are overflows especially on the streets and main roads?

**The Deputy Prime Minister:** Mr Deputy Speaker, Sir, I can only welcome the proposals made and especially the offer to coordinate, liaise and help with the other services so that works go on smoothly.

#### **MINISTRY OF TOURISM, LEISURE AND EXTERNAL COMMUNICATIONS - ADVISERS - APPOINTMENT**

(No. B/1126) **Mr E. Guimbeau (First Member for Curepipe & Midlands)** asked the Vice-Prime Minister, Minister of Tourism, Leisure and External Communications whether, he will state if any adviser has been appointed at his Ministry since August 2009 to date and, if so, indicate their respective –

- (a) names and postings;

- (b) qualifications, and
- (c) terms and conditions of appointment.

**The Deputy Speaker:** Concerning PQ No. B/1126, there had been a small oversight. Hon. Allet called his question instead of hon. Guimbeau.

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

The answer is in the affirmative.

With your permission, I am tabling the information being requested for at parts (a), (b) and (c) of the question.

**Mr Guimbeau:** If I understand, there are only two advisers which have been appointed for the past two months. Can the hon. Minister give the names of the two advisers?

**Dr. David:** This is what I am tabling. From what he says, he knows that there are two advisers. Why should he ask the question then?

*(Interruptions)*

As for the names, he will get them.

**Mr Guimbeau:** If I am asking the question, it is because I do not have the answer.

*(Interruptions)*

**The Deputy Speaker:** Can I have some order, please?

**Mr Guimbeau:** The reason why I am asking the question is because I do not have the names. That is why I am asking the names to the hon. Minister.

**Dr. David:** The names are in the paper which I have tabled. One is Mr Assy, the other one is Mr Seetaram.

**Mr Guimbeau:** I am happy to hear that the former president of the PMSD and the former president of 'les jeunes du PMSD' have got their *boute* and I am also sad to see that *la réunification de la famille bleue n'a été que l'appât du gain; l'intérêt personnel, M. le président.* This is a shame.

**Dr. David:** Mr Deputy Speaker, Sir, what is the question? There are two names; one is Mr Assy, the other one is Mr Seetaram, and the Member is associating them with a political party.

*(Interruptions)*

Yes! Can I remind the Member that....

**The Deputy Speaker:** No, no. Order! Order! I would like the tone to remain sober, please. Thank you.

**Dr. David:** Mr Deputy Speaker, Sir, as if, if you are a member of a political party, you have got no right to be an adviser. Mr Deputy Speaker, Sir, may I remind the House that a Secretary General was appointed adviser on disarmament? Can you believe that? And when he went around, people asked him: what is the bomb that you have in Mauritius? He said we have *bombli...*

*(Interruptions)*

**The Deputy Speaker:** Enough! Please, sit down!

*(Interruptions)*

Hon. Dr. David, please sit down!

*(Interruptions)*

Please, sit down! I am on my feet!

*(Interruptions)*

I am on my feet! Hon. Dr. David! Hon. Members of the Opposition!

*(Interruptions)*

Hon. Members, I am on my feet! Order, hon. Dr. David! Hon. Dr. David, order, please! I am on my feet, please! Hon. David, please!

*(Interruptions)*

Hon. Dr. David, please!

*(Interruptions)*

Hon. Dr. David, please! Hon. Dr. David, please have some respect for the Chair!

*(Interruptions)*

Hon. Dr. David, will you please have some respect for the Chair! Members of the House, may I ask each and every one of you to be silent? I just can't believe it! Hon. Members of the Assembly!

*(Interruptions)*

I would like each and every one of you...

*(Interruptions)*

Amazing!

*(Interruptions)*

If I don't have complete silence, I am going to suspend the sitting. Hon. David, can I ask you to be silent, please?

*(Interruptions)*

Hon. David, can I please ask you to remain silent? Can everyone please keep silent? I am on my feet! Hon. Ms Deerpalsing! I repeat it. The rules of this House are supposed to be based on decorum. Each and every one of you is supposed to remain silent when the Chair is on its feet. Now, if you won't respect the Chair, I will have to suspend the sitting and just leave. It is now time to have each and every one of you to get back to his senses. I will appreciate sober speeches and sober replies to sober questions. Can I? Thank you. So, can we go now to the next question if there is no supplementary on this one? Does the hon. Member have a supplementary question?

**Mr Guimbeau:** I don't think there is any need for hon. David to get excited, Mr Deputy Speaker, Sir.

**The Deputy Speaker:** No comment!

**Mr Guimbeau:** All that I was trying to do is to confirm that my former president, Lino Assy and Seetaram are two *rodeurs boutes*.

*(Interruptions)*

**The Deputy Speaker:** Hon. Allet, next question, please!

### **NHDC CHEBEL/PORT LOUIS & CHEBEL/ROSE HILL – TRANSPORT FACILITIES**

**(No. B/1128) Mr M. Allet (Second Member for Beau Bassin & Petite Rivière)** asked the Minister of Public Infrastructure, Land Transport and Shipping whether he will, for the benefit of the House, obtain from the National Transport Authority, information as to if the Authority proposes to provide bus transport facilities on the routes –

- (a) new NHDC complex, at Chebel, and Port Louis, and
- (b) Chebel and Rose Hill.

**Mr Bachoo:** Mr Deputy Speaker, Sir, I am informed by the National Transport Authority that Chebel Housing Estate is at present served by route 182 (Cité La Cure - Port Louis - Chebel Housing Estate with extension to Gros Cailloux). This route is serviced by eight individual owned buses of 50-seater.

The new NHDC Complex is located at a distance of 700 meters from the existing bus terminus of route 182 in Chebel.

On 15 June 2007, the inhabitants of Chebel NHDC Complex requested the National Transport Authority to look into the possibility of extending route 182 up to the complex and also to provide bus services towards Rose Hill.

On 24 September 2007, the National Transport Authority and the Traffic Management and Road Safety Unit carried out a road test with a 50-seater bus and it was found that large buses could not manoeuvre safely along the road leading to the NHDC Complex in view of the narrowness of that road. Besides, the absence of pavements along that road constituted a safety hazard for pedestrians. The extension of the bus route to serve the NHDC Complex was, therefore, not recommended.

As regards bus services between the NHDC Complex and Rose Hill, it is to be pointed out that Rose Hill Transport has agreed to serve the locality with 29-seater buses. In fact, on 23 July 2009, the company submitted an application to operate two such type buses between Rose

Hill and Chebel NHDC Complex. The application has already been published and will be processed by the National Transport Authority shortly.

**MUNICIPAL & DISTRICT COUNCILS - SECURITY CONTRACTS - JULY  
2005-NOVEMBER 2009**

**(No. B/1129) Mr E. Guimbeau (First Member for Curepipe & Midlands)** asked the Minister of Local Government, Rodrigues and Outer Islands whether, in regard to the security contracts awarded by the municipal and district councils, since July 2005 to date, he will, for the benefit of the House, obtain from municipal and district councils, information as to the –

- (a) names of the selected companies;
- (b) date the tenders were launched and the contracts awarded;
- (c) contract value, and
- (d) terms and conditions thereof.

**Dr. David:** Mr Deputy Speaker, Sir, the information asked for by the hon. Member is being compiled.

**SECONDARY SCHOOLS (PRIVATE) – REDUNDANT TEACHERS –  
INCREMENT**

**(No. B/1130) Mr S. Mohamed (Third Member for Rivière des Anguilles & Souillac)** asked the Minister of Education, Culture and Human Resources whether, in regard to the teachers of private secondary schools, who were made redundant in 1983, he will, for the benefit of the House, obtain from the Private Secondary School Authority, information as to the actions taken for them to recover their lost increments

**Dr. Bunwaree:** Mr Deputy Speaker, Sir, in February 1983, following the closing down of 22 private secondary schools which had a very low school population, an Agreement was signed between Government and the Union of Private Secondary Education Employees (UPSEE) whereby Government agreed to do everything within its authority, prerogative and jurisdiction to redeploy 239 redundant employees (220 teachers and 19 non-teaching staff) of private secondary schools.



For period January 1983 to December 1983, the redundant employees of these schools were paid an allowance in lieu of salary equivalent to their December 1982 salary, without the increment payable in January 1983. Subsequently, as from 1984 it was decided to adjust the allowance on the basis of the Remuneration Order, as if they were employed as from that date. It is remuneration order GN181 of 1984. They were paid an allowance equivalent to the initial point of the salary scale plus one increment for every two years of previous service.

As from May 1987, however, they started to be granted a yearly increment. It is to be noted that there has been no loss in their years of service for pension purposes.

In view of practical difficulties encountered by many redundant teachers, another agreement was signed in May 2000 between the two parties to reaffirm the Government's commitment to safeguard the employment of excess or redundant staff of private secondary schools and to facilitate the redeployment of the employees. These redundant employees were absorbed in MEDCO and redeployed to work in the MEDCO schools, the State schools or other areas in the education sector.

Since 2004, the Union has been requesting that the redundant employees of 1983 be compensated for loss of benefits and that their salaries be adjusted accordingly. Following advice obtained, it was found that it was not legally binding for Government to grant the request and hence the proposal could not be implemented.

Subsequently, the Union came forward with a request for only a hypothetical adjustment (as from a forward date, that is, without a backdating to January 1983) of salary so as to enable the teachers concerned to take advantage of the fringe benefits attached to the adjusted salary.

Mr Deputy Speaker, Sir, the financial implications in respect of the proposal for the salaries to be hypothetically adjusted with effect from January 2007 for the existing redeployed staff (101 teachers) have been worked out by the PSSA which has taken up the matter with the Ministry of Finance and Economic Empowerment and the matter is still, according to my information, under consideration at the Ministry of Finance.

**Mr Mohamed:** Mr Deputy Speaker, Sir, since this matter has been dragging on since 1983 for quite a long time, may I ask the hon. Minister whether it would not be appropriate to call a meeting with those teachers who are still being, in some way, prejudiced by the decision of

1983; to call them and to meet them with the goodwill, hopefully, I am sure, of the hon. Vice-Prime Minister and Minister of Finance, to try to reassure them that this is under consideration and to try to accelerate the process for solutions to be found and made final once and for all?

**Dr. Bunwaree:** Surely, this can be envisaged. In fact, it has been envisaged. On various occasions, we have seen, according to the information I have given, that we have taken into consideration the humanitarian aspect, but there are so many implications and this is why it is taking some time. But everything has been done, it has been sent to the Ministry of Finance. If we get the approval from there, there will be no problem. If not, I will go along the line which the hon. Member has mentioned.

**Mr Guinness:** Can I ask the hon. Minister what is the cost implication?

**Dr. Bunwaree:** I can table it for the various years. It is around to Rs3 m. to Rs4 m. per year.

#### ***FORCES VIVES – LEGAL STRUCTURE***

**(No. B/1131) Mr Y. Varma (First Member for Mahebourg & Plaine Magnien)** asked the Attorney General whether he will state if Government proposes to provide a legal structure for the *forces vives* to operate.

*(Withdrawn)*

#### **SUGAR CANE FIELDS – PRE-HARVEST CANE BURNING**

**(No. B/1132) Mr Y. Varma (First Member for Mahebourg & Plaine Magnien)** asked the Minister of Environment and National Development Unit whether, in regard to the practice of setting fire to the sugar cane fields, prior to the harvest in certain cases, he will state if a study has been carried out to assess the impact thereof on the environment and, if so, indicate the remedial measures that will be taken, if any.

**The Minister of Agro Industry, Food Production and Security (Mr S. Faugoo):** Mr Speaker, Sir, with your permission I shall answer to this question.

I am informed that the practice of burning cane prior to harvest has always been a normal and acceptable feature in the sugar industry as the objective is to facilitate cane harvesting, especially in the drier part of the island and where irrigation facilities exist to help the burnt cane to grow again.

It is generally agreed that cane burning impacts negatively on air quality and the emission of particles from cane burning can be significant when wind conditions are unfavourable. I am advised by the Ministry of Environment and NDU that no study has been undertaken to assess the air pollution impacts arising from the seasonal practice of cane burning.

Pre-harvest cane burning was widespread in the nineties when almost 35% of the 48,000 hectares of sugar cane land managed by the corporate sector was subjected to burning. The sugar industry has now adopted controlled cane burning as a new code of practice. For the crop 2008, the percentage of land under sugar cane which was burnt, has been reduced to 22%. Moreover, cane burning is not being resorted to in fields earmarked for mechanical harvesting. Thus, with the projected increase in the extent of land under mechanisation, especially with the derocking scheme on small and medium planters' land to facilitate mechanization, the percentage of cane burning will be further decreased.

In the context of the implementation of the Multi Annual Adaptation Strategy Plan, a Strategic Environment Assessment of the MASS was undertaken by the European Commission in 2007. The conclusion of the study was that the MAAS proposals were likely to achieve positive environmental effects. However, it was recommended that the issue of sugar cane burning be discussed between the EU and the Government to optimize the environmental performance of sugar cane cultivation.

An agreement was accordingly reached between the EU and the Government of Mauritius for controlled and planned cane burning to be a Key Performance Indicator for the disbursement of funds under the accompanying measures in 2009, 2010 and 2011. The objective of this KPI is to reduce the area under cane burning by an average of 0.5% annually and to ensure that the sugar industry eliminate the nuisance factor caused to the environment and the tourism industry.

**The Deputy Speaker:** Time is over!

**MOTION****SUSPENSION OF S.O.10 (2)**

**The Deputy Prime Minister:** 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.

**Dr. Sithanen rose and seconded.**

*Question put and agreed to.*

**PUBLIC BILLS***First Reading*

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

- (a) The Open University of Mauritius Bill (No. XIX of 2009)*
- (b) The Food and Agricultural Research Council (Amendment) Bill (No. XX of 2009)*

**MOTIONS**

- (1) CIVIL ESTABLISHMENT ORDER 2008**
- (2) CIVIL ESTABLISHMENT (RODRIGUES REGIONAL ASSEMBLY) ORDER 2008**

**The Minister of Civil Service and Administrative Reforms (Dr. B. Hookoom):** Mr Deputy Speaker, Sir, with your permission, I would like to move that the two motions on the Order Paper standing in my name and relating to the Civil Establishment Orders 2009 be taken together, namely –

- (1) “That this Assembly resolves that the Civil Establishment Order 2009 made by the Right Honourable President of the Republic on 13 October 2009 and laid on the Table of the National Assembly on 20 October 2009 be approved.”*
- (2) “That this Assembly resolves that the Civil Establishment (Rodrigues Regional Assembly) Order 2009 made by the Right Honourable President of the Republic*

*on 13 October 2009 and laid on the Table of the National Assembly on 20 October 2009 be approved.”*

Mr Deputy Speaker, Sir, Section 3(1) of the Civil Establishment Act of 1981, as subsequently amended, stipulates that the President may, by order -

- (a) establish offices in the Public Service of Mauritius;
- (b) determine the number of persons to be appointed to such offices, and
- (c) determine the emoluments to be attached to such offices.

The Civil Establishment Order of 2009 reflects the changes on the approved establishment of Ministries and Departments for financial year 2009 July to December and recommendations contained in the Errors, Omissions and Clarifications of the Pay Research Bureau Report 2008 regarding abolition or restyling of officers and new salary codes and salary scales.

The Civil Establishment (Rodrigues Regional Assembly) Order 2009 reflects changes on the approved establishment of the Rodrigues Regional Assembly for financial year 2009, July to December and recommendations contained in Errors, Omissions and Clarifications of the Pay Research Bureau Report 2008 regarding restyling of offices and new salary codes and salary scales.

The Civil Establishment Order 2009 and the Civil Establishment (Rodrigues Regional Assembly) Order 2009 are, therefore, now submitted for approval by the National Assembly.

With these words, Mr Deputy Speaker, Sir, I commend the two motions to the House.

**Mr Bundhoo rose and seconded.**

**Mr Bérenger:** Mr Deputy Speaker, Sir, it could be a point of order or a remark. The House is asked to approve those two motions. It's a solemn gesture. But, are we sure that the motions are correctly drafted? When we talk of the President of the Republic, do we address him as the Rt. hon. President of the Republic? I don't think so. I think we should check – if we are going to break for tea – and if there is need to amend the motion, out of due respect to the President, we should do it. As far as I remember, as far as I know, it's made by His Excellency, the President of the Republic. But, he is not a Member of the House and, therefore, the appellation “Rt. hon. President” is wrong.

**Dr. Hookoom:** We will check, Mr Deputy Speaker, Sir.

**The Deputy Speaker:** Is there a formal motion for an amendment? Otherwise, is someone else making a formal motion for an amendment?

**Mr Bérenger:** That's why I suggested, Mr Deputy Speaker, Sir, that we break! I am raising that point out of due respect. But, if it is checked and it is seen that this is the correct appellation – which I don't think so - then I won't move for an amendment.

**The Deputy Speaker:** What I will do, therefore, to give time to the hon. Minister to just make the necessary verifications and see whether he will move for an amendment of his own accord, is to suspend the sitting for half an hour for tea.

*At 4.23 p.m, the sitting was suspended.*

*On resuming at 4.55 p.m. with Mr Speaker in the Chair.*

**The Minister of Civil Service and Administrative Reforms (Dr. B. Hookoom):** Mr Speaker, Sir, since 2004, the title 'the Right Honourable President' has been used in similar motions. However, I have been advised the right title to be used is the President of the Republic. Mr Speaker, Sir, I therefore, beg to move that the words 'Right Honourable.' be deleted from the two motions standing in my name.

**Mr Bundhoo rose and seconded.**

*On question put, amendment agreed to.*

*The Civil Establishment Order 2009 & The Civil Establishment (Rodrigues Regional Assembly) Order 2009 were, on question put, agreed to.*

## **PUBLIC BILLS**

### *Second Reading*

#### **THE SMALL AND MEDIUM ENTERPRISES DEVELOPMENT AUTHORITY**

#### **BILL (NO. XVII OF 2009)**

(5:01 p.m.)

**Mr P. Jugnauth (First Member for Quartier Militaire & Moka):** Mr Speaker, Sir, I have been Minister of Finance and, right at the start, I would acknowledge that the Small and Medium Enterprises sector is a very difficult one indeed, that needs in fact constant resolve and concrete actions for sustainable results to be achieved. That is why, in the 2004/2005 and the

2005/2006 Budgets, which I had the privilege to present to the nation, I announced meaningful and innovative measures to support the development of the SME sector.

Let me mention a few of these measures. Firstly, there was the setting-up of an Emerging Entrepreneur Loan Scheme, whereby seed capital up to Rs100,000 were made available to set up small enterprises in the manufacturing, handicraft, ICT and other services sector. Secondly, the launching of the SME Efficiency Improvement Scheme and a Support to Entrepreneur Programme incorporating an investment grant of Rs500,000 for selected viable projects, a Young Entrepreneur Scheme with a grant element of Rs50,000, and a loan of up to Rs50 000 at a low interest rate with a grace period of two years on both capital and interest reimbursement. And to facilitate access to finance, which is one of the main problems faced by the sector, I brought down interest rate to 6% for certain schemes. I set up a Working Capital Scheme, which provided working capital of up to Rs1 m. on a revolving basis to SMEs, and for those entrepreneurs who cannot provide any guarantee for their loan, an SME Loan Guarantee Scheme was established. At that time, I also introduced an Equity Participation Fund to help in the capitalisation of SMEs, and I made budgetary provisions for the setting up of a business incubator and a handicraft centre at Paillotte. I won't go into the details of all the other measures, but just to cite those main ones.

Mr Speaker, Sir, I felt it appropriate to make this recap for two reasons. Firstly, to answer to the criticism that was made that nothing had been done before July 2005 and, secondly, to express my disappointment that some of the measures which I introduced were simply cast aside and never given a chance to produce expected results.

M. le président je dirai que l'orgueil était plus fort que l'intérêt des petites et moyennes entreprises. Mais, laissons cela de côté. Nous avons cette loi aujourd'hui devant nous. J'aurais été quand même heureux si les mesures que j'avais initiées, et qui ont été si souvent présentées sous différents emballages et annoncées en fanfare depuis 2006, par le ministre des finances, auraient été concrétisées à la satisfaction des petites et moyennes entreprises. Mais, malheureusement, tel n'a pas été le cas. Bon nombre de mesures sont restées lettre morte et d'autres annoncées par le ministre, quoi qu'étant très intéressantes au niveau des intentions, sont restées au niveau des déclarations d'intention, et j'y reviendrais plus tard au cours de mon intervention.

Mr Speaker, Sir, the Minister for Business Enterprise and Cooperatives has said, in his second reading speech, that, prior to July 2005, the investment climate and business mood were not ripe to spur SME development. I gave a glimpse of what was actually done to spur the development of SMEs in the Budgets I presented. I am not going to make certain remarks, but I wish the Minister would be wise to take note of the following. Let me say prior to July 2005, more particularly after the 2004/2005, 2005/2006 Budgets, interest rates on quite a number of loan schemes at the DBM were brought down to 6% and even to 3%, for example, for fishermen proposing to buy a fishing boat. Following the 2006/2007 Budget, these interest rates were increased to 11.5%. Then, in the aftermath of the additional stimulus package, they were reduced to 9%; still higher than the 6%. I asked the hon. Minister: is this better investment climate? Again, prior to July 2005, payment for trade licence by a small entrepreneur producing and selling cakes and pastries was Rs200 and, following the 2006/2007 Budget, the fee rose to Rs2,000; a staggering increase of 900%. Is this better investment climate? Again, prior to July 2005, payment for trade license by a small entrepreneur owning a hairdressing business was Rs600 and, after the 2006/2007 Budget - that was supposed to facilitate business - the fee rose to Rs1,500. The trade license fee for a small entrepreneur manufacturer of pottery has gone up to Rs6,000, and I can go on through the list of how there has been, I would say, staggering increases. And I ask again the question: is this business facilitation for SMEs?

Prior to 2005, there was no tax on the surplus generated by cooperative societies. Again, after the 2006/2007 Budget, a tax of 15% was imposed on those surpluses. Therefore, I'll invite the hon. Minister to be objective, to be honest also, and to recognise the truth. I must say that I agree when the hon. Minister of Finance has emphasised, on certain occasions, how difficult it is to come up with schemes in order to help the SMEs.

Allow me, Mr Speaker, Sir, to set the records straight, as far as registration of SMEs is concerned, because the hon. Minister said that only 428 SMEs were registered by SMIDO during the period 2000 to July 2005. This, in fact, does not reflect the real figures. In the time of SMIDO, only manufacturing SMEs were registered and, from the figures which I have, there were some 2,500 of the companies that were registered.

When SEHDA came, the SMEs engaged in services like ICT were also registered. The hon. Minister should be, in fact, telling us what was the initial number of all the SMEs,



manufacturing and services registered with SEHDA till June 2006, when the 2006/2007 Budget was presented.

Anyway, Mr Speaker, Sir, I will later throw some light on the underlying truth behind the registration figure of 11,000 that was mentioned by the hon. Minister of Business and the Minister of Finance. Mr Speaker, Sir, the presentation of the SME Development Authority Bill at this point in time, after four budgets, after the Additional Stimulus Package which was presented by the hon. Minister of Finance, I must say, is an acknowledgement of failure as far as Small and Medium Enterprises are concerned. It is only now that the hon. Minister of Business and the Minister of Finance are telling us that SEHDA was unfair. I quote their words: 'it was unfair'. I think that they mentioned that it was restrictive, it was inappropriate. If that was really the case, why did not Government come forward earlier, especially, at a time where announcements were being made on business facilitation to either amend SEHDA or to come up with that Bill? Why did we have to wait for four years? When we look at the Explanatory Memorandum of the Bill, we notice that the second objective is to, I quote –

“Provide a more responsive institutional framework to cater for the needs of Small and Medium Enterprises.”

What should we understand by “a more responsive institutional framework”? Why should there be more responsiveness, if according to what we have heard regularly from the hon. Minister of Finance that his measures for the SMEs have produced marvellous results? Again, Mr Speaker, Sir, I am not denying the fact that, as I said earlier, this is a sector which needs our constant attention. We have to review and come up with new measures all the time in order to boost that sector. Why do we have to come now with the new authority to replace SEHDA? I consider that there has been failure. But, there have been a number of bluffs also. That is why I say *il faut toujours parler le langage de vérité, il faut toujours dire les choses comme elles sont*. We should not come with mouth-watering measures which finally turn up to be bitter experiences and disappointments for the SME sector.

Let me prove what I am saying. In the 2006/2007 Budget Speech the hon. Minister of Finance told this population almost exactly what I have heard from the hon. Minister for Business, Enterprise and Cooperatives when he presented this Bill to the House. As in 2006/2007, we are once more being told that the provisions of the Bill will foster sustainable development of the SMEs.

Mr Speaker, Sir, let us look at the measures for the SMEs announced in the 2006/2007 budget. People were told that they can register a business at the Business Registration Counter of the Registrar of Companies and start activities within 3 days. We all know that no business could be started within 3 days as the whole procedure to get the necessary approvals from various authorities still takes a lot of time. I would say, at least, more than fifteen days. An entrepreneur and potential entrepreneur, in fact, thought that they were going to start a business. A lot of them were being lured into that. A series of facilities were promised to them, ranging from access to land and finance, logistical support, contract guarantee. Indeed, Mr Speaker, Sir, the Empowerment Programme which the hon. Minister of Finance had announced, that some 2,000 and 3,000 *arpents* of land would be required for social housing purposes and that part of those lands would be put at the disposal of small entrepreneurs on concessionary terms. Now, can the hon. Minister tell us how many *arpents* of land have actually been acquired through the Empowerment Programme since his announcement and how many entrepreneurs have benefitted from this? I think it is useful to quote what measure was initiated in the budget. Mention was made of said land for small entrepreneurs at paragraph 271, and I quote -

“ Land is a severe constraint for many small entrepreneurs (which we all agree) to allow them to grow and seize the business opportunities offered by the other components of the Empowerment Programme, some of the land acquired will be put at the disposal of small entrepreneurs on concessionary terms”.

I am not going to say what has happened today, I will listen carefully to what the hon. Minister will say in his reply. In addition to land, the Empowerment Programme was supposed to finance the setting-up of five tourist villages where most of the spaces would be reserved to SMEs. To my knowledge, I do not think that any of the tourist villages has been completed. The Minister of Finance also announced in the Budget Speech of 2006/2007 that nine Low-Cost Industrial Estates would be set up to cater for SMEs. He mentioned places like Terre Rouge, La Tour Koenig, and Highlands amongst others. There are others like Tyack, L'Escalier, Surinam and so on, that would house such industrial estates. I hope that the hon. Minister will tell us later on how many of such estates have actually been created. I listened earlier on to the hon. Minister of Finance. He gave the impression that a new Industrial Estate had been constructed at Vacoas/Phoenix. This is what he said in reply, in fact, to the speech made by the hon. Leader of the Opposition. Fortunately, I have had time to find out what has happened really, whether a

new Estate has been constructed but, to my surprise, Mr Speaker, Sir, I understand that there was already an Industrial Estate at Vacoas/Phoenix and that there was a handing over that was being effected on the 27 of October 2009. I must say that it was not only an impression but an illusion, because when I checked there was, in fact, no new industrial estate that has been set up, that has been built. The hon. Minister of Finance was referring to the existing Industrial Estate at Valentina and this is to what he referred. I would say, again, we should not keep on bluffing, we should not be hiding behind words and we should certainly not take people for a ride. Equity participation, through the Empowerment Fund, ranging from Rs300, 000 to Rs 3m. was also promised to support SMEs, as well as easy access to finance from the DBM and Commercial Banks and, in fact, over time, SMEs realised that the criteria that were imposed for obtaining such facilities were so stringent that it discouraged most of them and the objective set had never been attained.

Loans of Rs50,000 were given mainly to starting women entrepreneurs who were encouraged to produce pickles and jams. These women have ended up, many of them, with debts that they are still struggling to repay as they have never succeeded in a big majority of cases to sell their products. In fact, they never benefitted from the support services as has been promised to them. There were support services that have been promised to enhance the quality of their products. Nothing actually materialised as regards the access to COMESA and SADC markets through the Mauritius trading houses that were supposed again to be set up in these trade regions to provide a shopfront, warehousing facilities we were told, marketing services, selling bulk, breaking bulk and taking orders for Mauritian products as enunciated in the Budget Speech.

Mr Speaker, Sir, while most of the measures for SMEs in the 2006/2007 Budget have remained mere announcements, the Business Registration System that was put into place has, in fact, proved to be a tax trap. As once registered at the business registration counter, SMEs and individuals are closely monitored by the Mauritius Revenue Authority. I won't elaborate on this because I have had the opportunity of meeting so many of them. As I highlighted earlier, the fees for trade licenses went up in a staggering manner. In fact, this discourages a number of small entrepreneurs. Once people again realise that instead of being helped to start a business or develop their existing businesses, they were being trapped. Many of those who registered have backed out and actually in numerous cases, they never even started a business at all.

Many existing small businesses did not even renew their trade licences. Let me prove what I am saying! I take the example of the Municipality of Port Louis. When we look at the revenue collection, the figures indicate that fees collected for trade licences under the Eighth Schedule has dropped from Rs50 m. in 2005/2006 to Rs44 m. in 2006/2007. For 2008/2009, the estimated revenue collection under this item is about Rs49 m. That even will not be achieved. Therefore, Mr Speaker, Sir, I think, both hon. Ministers of Finance and for Business have been telling us that a number of SMEs in operation has considerably increased due to business facilitation and schemes that have been established since 2006/2007. If that is the case, can they explain how is it that despite their assumption that there have been thousands of new SMEs; despite staggering increases in trade licence fees, revenue from trade licences has actually dropped or remained more or less at the same level of 2005/2006?

I am talking as far as the Municipal Council of Port Louis is concerned, but we all know that the Municipal Council of Port Louis is, in fact, the municipality that is concerned, by far, with a greater number of SMEs. Therefore, Mr Speaker, Sir, the answer is clear. Many small businesses that existed before 2006, have closed down, a number who registered after the 2006/2007 Budget have backed out and actually a number have never even started operation. This is the underlying truth behind SME registration since 2006/2007.

The same argument applies to job creation in the SME sector. The hon. Minister of Finance has been saying that 30,000 new jobs have been created by SMEs since 2006. Well, I leave that to the appreciation of the population. I think job creation has been more on paper at the time of registration because we all know that a person calling at the registration counter of the Registrar of Business and registering to obtain a business card, is automatically being removed from the list of unemployed.

Now, where is the logic? I mean, at least there should have been a follow-up. We should have, at least, witnessed whether that person has started a business. Then, you can remove him from the list of unemployed. This is not serious, Mr Speaker, Sir. Officers of the Registrar of Companies and Registrar of Businesses know the truth. We have been informed on what was really happening and never before had there been so many cessations of business as is the case since 2006/2007. Mr Speaker, Sir, the hon. Minister of Finance knows the truth. That explain why in the 2008/2009 Budget, he announced that there will be no need for renewal of business

registration. Had there been renewal, we would have known as to how many of these small businesses have backed out and how many closures of small businesses are concerned.

In the 2007/2008 Budget Speech, Mr Speaker, Sir, the hon. Minister of Finance acknowledged failure as far as the objectives for SME development was concerned. He said, I quote –

“The business facilitation measures put in place since the 2006/2007 Budget need to be reinforced with the setting up by SEDHA and BOI of SME helped desks in existing business organisations, CAB officers, local authorities, Registrar of Companies advise SMEs and channel complaints.”

The hon. Minister went on to say that major bottlenecks were indentified. He revealed that from June 2006 to June 2007 around 5,400 SMEs had registered, but only – and this is the truth - 826 have been actually set up thereby confirming what I have been saying as regards drop-outs.

What happens then? The hon. Minister of Finance just repackage many of the measures he announced. He said that he was allocating Rs125 m. for tourist villages, announced seven projects to improved sourcing, marketing skills, to build capacity and in-product development. He earmarked Rs50 m. for agreed business networks. How much has been materialised today? It is not finished.

Then came the 2008/2009 Budget. Once more, the hon. Minister of Finance repackaged many of the earlier announced measures for SMEs. At that point in time, he announced the setting-up of the manufacturing adjustment and SME Development Fund. Big names! An SME Partnership Fund and a new equity to loan scheme with the participation of Commercial Banks. Government even promised to guarantee 75% of SME loans. As in the 2006/2007 Budget, he announced that the SMEs will be given preferences as far as Government contracts are concerned. Once more, announcements were made and the impression created was that SMEs were thriving in this country.

As far as Government contracts are concerned, probably we should ask a question to know what has been the outcome, but I must say the reality has proved to be the contrary. I would invite the hon. Minister, in his concluding remarks probably, to inform us and the nation on the number of SMEs that have benefited either from the Manufacturing Adjustment and SME Development Fund and the SME Partnership Fund.

The Minister of Business has been telling us that 51 projects are being implemented. Again, I wish to be enlightened on those who are benefiting and how much also.

Let us look at what has happened after the 2008-2009 Budget. The Minister of Finance again comes up with the Additional Stimulus Package in December 2008, that is, six months later. He said that Government is accelerating the implementation of the Manufacturing Adjustment and SME Development Fund and he indicated that out of the Rs500 m., Rs400 m. had already been committed mainly to SME projects. Committed - but how much has been spent? While summing-up the debates on the Additional Stimulus Package Bill, some four months later, in April 2009, he could not give any details on where the sums that were committed had been actually spent. Again, the bluff continues. It is not yet over. On 22 May 2009, the Minister of Finance came with the six months transitional Budget of 2009. The Manufacturing Adjustment and SME Development Fund became the Saving Jobs and Recovery Fund. The Minister said that Rs500 m. were now available to support SMEs and the same Rs500 m. that were, in fact, earmarked in the MASMED Fund and he announced – we have had questions this morning - the setting up of an Export Credit Insurance Scheme, a line of credit to encourage leasing, another risk sharing scheme to encourage commercial banks to lend money to SMEs and equity financing. The Export Credit Insurance Scheme, as we know, has not yet been implemented and when I asked the question this morning to the hon. Minister of Finance, he could not enlighten me. I wanted to have an idea of how long it will take, but it is clear that by even next year it won't be implemented. It is very clear because they are looking for a consultant. The consultant is going to draft for tenders and we understand that no local insurance companies are able to provide such service. We will have to go for international tender which is going to take a long time. Mr Speaker, Sir, I have a list of a number of measures also that have been announced but, in fact, had not been implemented. Let me come to something which, I think, is very important: what the sector feels about? What people who represent the sector are saying? I think SMEs are really fed up with a number of announcements that, in fact, never materialise, failure throughout the years and the frustration is growing and growing, up to a point where I note that the representative of the SME federation has made a number of press statements and here I would like to quote Mr Amar Deerpalsing. He said –

*« L'état a favorisé les grosse boîtes laissant les petites et moyennes entreprises dans une situation financière difficile. Les plans de financement disponibles ne favorisent que les grosses*

*pointures. Dès le lancement du Stimulus Package, les PME accédaient difficilement aux fonds vu les conditions excessives imposées. Les banques sont de plus en plus frileuses à financer les PME. L'Etat a affirmé qu'il apporterait sa garantie, mais les PME n'ont bénéficié de rien. Aucune PME n'a bénéficié du Stimulus Package. Je maintiens que les PME ont été laissées sur la touche».*

Mr Speaker, Sir, when the hon. Minister of Finance was replying to say that nine companies had already benefited from the Stimulus Package, I wanted to know how many SMEs had benefited. The hon. Minister started by giving a vague answer and he started to say: "well, according to me, what was the classification of S & M?" We are in presence of the Bill today. Government has decided already on the classification of S & M. I would have expected the logical answer to be according to what Government itself considers to be S & M. But, this is again not giving the information and not telling the truth especially to that sector. When I look at the remarks, these are very serious remarks that have been made by the representative of the federation, Mr Amar Deerpalsing, and I heard the allusion that was made in the debate by the hon. Minister of Finance that a member, at times, must be careful when he speaks on behalf of SMEs. He might have an own interest. I hope he is not referring to Mr Amar Deerpalsing because I don't believe that Mr Deerpalsing has a personal interest and that is why he is criticising the Government or the Minister. *Ça, c'est la vérité, M. le président! Une vérité qui vient des petits entrepreneurs eux-mêmes et, le bottom line, c'est qu'il y a eu échec et cet échec saute aux yeux. Maintenant que nous propose cette loi ? Une loi pour remplacer une autorité – la Small Enterprises and Handicraft Development Authority. Donc, on remplace une autorité par une autre autorité avec pratiquement les mêmes objectifs, les mêmes intentions que celles énonçaient par le ministre des finances dans son budget 2006-2007. Et, en plus de cela, après avoir mené les petits entrepreneurs, je dirais, en bateau pendant quatre ans. Là, le ministre des finances vient dire, maintenant, que les PME vont être au cœur du budget 2010. Va-t-on encore une fois nous servir, comme dirait l'Anglais, the same old wine in a new bottle ? Va-t-on conserver ce vin dans la bouteille afin de le brandir une nouvelle fois plus tard ? Et je pose la question si ce n'est que la spécialité en ce moment du ministre.*

Mr Speaker, Sir, I think we should have the courage and the wisdom to recognise that the SME sector needs a thorough revamping. We must acknowledge that there are major constraints and bottlenecks and admittedly it is - I repeat again - that it is a very difficult sector.

But we need to sit down, we need to look at all the measures that have been taken in the past by all Governments and we need to scrutinise and to see where there have been failures, where it has not worked and we should, of course, definitely have the political wisdom also, an economic determination, to rethink the sector and to innovate in terms of fiscal and accompanying measures. Unfortunately, I have to point it out. I heard the Minister of Finance said in the course of the debate that SMEs were paying 30% of corporate tax in 2005 and that now, thanks to his genius, the tax rate has been brought to 15%. But, he knows very well - tell the truth to the people! Mr Speaker, Sir, the Minister is definitely aware that the tax rate applicable to all SMEs in operation and registered with SMIDO was 15% prior to 2006-2007. I hope the hon. Minister of Business will either confirm what I am saying, or if I am not telling the truth, he will correct. In fact, the effective rate of tax was much lower with the allowances that the SMEs were benefiting from. In addition, they were benefiting from duty-free facilities on raw materials and equipment. I would invite the Minister because the Minister of Finance said earlier that *marchands dholl puri ou petits tailleurs* had been paying 30% corporate tax. Give us the figures! How many *marchands dholl puri*; how many *petits tailleurs* have been paying 30% corporate tax prior to 2005? I am prepared to have a look at the figures and then we will talk.

The hon. Minister of Finance, while he is saying this, is as if he has taken major decisions in favour of SMEs. Let me remind him again how trade licensees have been going up and really have created a number of problems for the SMEs.

Mr Speaker, Sir, I am of the opinion that we should stop playing with words. We should take stock of the current situation and we should devise a new and enabling fiscal regime for the SME. We cannot continue applying the same fiscal regime for both the big companies and the SMEs. I know what the Minister of Finance will say. He will say: I have been Minister before I had the opportunity of doing it. Never mind whether I have had the opportunity of doing it, but I hope he listens now to my suggestion. We have to act on the fiscal front. That is why I said the way forward is to encourage small entrepreneurs and to give them a real boost to the SME sector. The Leader of the Opposition has suggested why not a different corporate tax to help SMEs. I'll go even further - why not a new VAT rate applicable to SMEs? In the same vein, I believe that the Rs2 m. turnover threshold to register for VAT purposes is too low. In fact, Mr Speaker, Sir, it was Rs3 m. they brought it to Rs2 m. but I think Rs2 m. is really too low. The threshold should



not only be increased, it should go even beyond Rs3 m. because I believe that SMEs, in fact, do not have the resources to go and make the necessary returns to the MRA.

On the other hand, we know that there is a problem, access to finance - a key constraint to all SMEs. I believe that there should be a dedicated entrepreneur bank. We have had the experience of the DBM. Unfortunately, it has not delivered. I must say we have been in Government also we know it has not delivered according to expectations and it seems to be incapable to innovate in terms of new financing products. I must say commercial banks also have to commit more financial resources and in this respect Government has to be more persuasive and forceful to bring the banking community to deliver.

The third aspect, Mr Speaker, Sir, apart from a new fiscal regime, apart from access to finance, we have to look into is clustering. I agree, and I believe that for SMEs to develop on a sound and viable footing, regrouping activities at one place and clustering will definitely help to reduce costs, improve on quality, and develop the necessary business muscles to penetrate regional markets. That's where the setting up of a dedicated SME industrial estate would be beneficial.

Another aspect should be looked at. Again, I have heard repeatedly “branding and marketing” from the hon. Minister of Finance. We need to develop exclusive Mauritian brands with established quality norms that would facilitate exports. I know it is very difficult because when we talk about exports we are competing with so many other products, especially which are coming from cheap markets. But marketing of SMEs products, both locally, and abroad is a must, if we want the sector to expand and if we want to seize all opportunities.

Mr Speaker, Sir, I said, at the beginning of my intervention, that I was disappointed to see a number of my measures in favour of SMEs that had either been cast aside; that were badly repackaged or not even given a chance to produce expected results. Here, I would add that I am disappointed to see that the duty-free island project I initiated has so far been kept in the drawers. I am saying this, because I am convinced that the process of transforming Mauritius into a duty-free island will definitely unleash new opportunities for the SME sector, the handicraft sector, the small hotel, the restaurant subsector, the trade and commerce sector, the industrial sector so on and so forth. The biggest winners will be SMEs. I do acknowledge that there are going to be a few casualties also because this concept is not going to be beneficial to all the sectors, but we

have to take a decision. We have to move forward and we stand to gain much, much more than what we are going to lose in certain sectors.

M. le président, le secteur des PME dans d'autres pays comme l'Inde est l'un des moteurs du développement socio-économique. A Maurice c'est un secteur qui a définitivement un potentiel de développement mais, néanmoins, c'est un secteur qui mérite une attention spéciale comme j'ai dit, une attention permanente et spéciale pour pouvoir vraiment prendre son envol. On doit sortir des sentiers battus en terme de mesures d'accompagnement et il ne faut pas continuer à venir changer les mêmes mesures et servir des terminologies différentes. L'innovation, l'action et la volonté politique doivent être les maîtres mots. Seule la nouvelle législation devant nous ne va pas régler les problèmes dont fait face le secteur des PME. Moi, je pense qu'il faut impérativement venir avec des mesures novatrices et surtout ne pas pêcher au niveau de l'implémentation.

Avant de terminer, M. le président, je demanderai aussi au ministre du business, des entreprises, des coopératives de rectifier aussi la composition du *Board* de la SMEDA telle que proposée dans le projet de loi. Il faut impérativement inclure deux représentants de la fédération des PME comme c'était le cas sous la SEHDA Act. Ce n'est pas parce que monsieur Amar Deerpalsing, représentant de la fédération des PME, a dit ses quatre vérités sur le calvaire actuel des PME qu'on doit exclure maintenant les représentants de la fédération du *Board*. La sagesse et la logique doivent primer sur l'orgueil et j'espère qu'il n'y aura pas de vendetta personnelle.

Merci, M. le président.

(5.48 p.m.)

**Mr S. Sayed Hossen (Fourth Member for Montagne Blanche & GRSE):** Mr Speaker, Sir, I wish to start by congratulating my friend, the hon. Minister of Business, Enterprise and Cooperatives for introducing this Bill in the House.

My presentation will address a few specific aspects of the Bill. First of all, I would like to comment on the overall objectives, then a few comments on the specific situation of SMEs. Then I will discuss the constraints that we know are facing SMEs and then discuss the solutions that are inherently proposed by this Bill. First of all, an integrated and responsive institutional framework to address the needs of SMEs - basically the structural needs; secondly, an adapted

business facilitation service system; thirdly, the enhancement of competitiveness of SMEs and, fourthly, the promotion and development of entrepreneurship and what we call *l'esprit d'entreprise*.

The overall objectives of the Bill are very ably summarised, Mr Speaker, Sir, in section 4(a) to 4(f) of the Bill.

The Bill aims at realising these objectives -

- (i) dissemination of opportunities and empowerment of small entrepreneurs;
- (ii) converting potential entrepreneurs among job seekers from being job seekers to becoming entrepreneurs;
- (iii) broadening and lengthening the supply chain for products and services, thereby allowing opportunities for new entrants;
- (iv) providing gainful economic outlets for the inherent creativity of our people;
- (v) positioning Mauritius ultimately as a regional and, hopefully, global supplier of those goods and services where we can identify and develop a competitive advantage, and
- (vi) finally - which is probably the most important - broadening the base of wealth creation and employment generation by including small and medium entrepreneurs.

All the orators before me have mentioned fairly extensively that SMEs are in a very specific situation. Categorisations, as we know, whether we call them small, medium, micro, can be very misleading. If I understand properly, an enterprise is called an SME as long as its turnover is below Rs45 m. or Rs50 m. But then, we should remember one thing. Most of our SMEs are actually micro enterprises, and these micro enterprises are characterised by a very low capital base, by a very highly limited mastery of skills, again by limited access to finance, limited access to know-how and technology which is, of course, a direct result of a limited capital base, remoteness from any significant business networking, that is, remoteness from a meaningful supply chain and, of course, locally speaking, very skewed positions in the national or regional supply chain. All this leads, Mr Speaker, Sir, to a very high degree of vulnerability to exogenous factors, to exogenous shocks like external competition, variations in cost of inputs, and delays in inflow of cash, for example. The hon. Leader of the Opposition, two weeks ago,

mentioned the problem of cash flow, which, he very rightly said, seems to be one of the main problems of small and medium enterprises. Finally, one of the major characteristics again is the very low visibility of development perspectives because of complete reliance on the internal market.

We all know that SMEs face very, very important constraints: access to capital and finance, access to markets and market intelligence, permits, access to technology, training and capacity building, limited capacity for innovation and adaptation to markets. We all know that the market is generally demand driven, and SMEs have major difficulties to gear themselves up to adapt to the demand, and one of the major constraints again is industrial space. These constraints are addressed in clause 5 of the Bill - Functions of Authority. These functions, I must say, Mr Speaker, Sir, are fairly extensive, very comprehensive and are mentioned in a very detailed way. There are 20 functions that have been mentioned to be carried out by the Authority. Among them, development of entrepreneurship in clause 5(a), speeding up of registration of SMEs in clause 5(b), facilitation of access to resources by SMEs in clause 5(c), facilitation of networking in clause 5(f), training and capacity building in clause 5(g), and provision of market intelligence in clause 5(k) and clause 5(m).

Mr Speaker, Sir, before addressing a few specific issues, which are raised in this Bill, I would like to comment on a few points which have been raised by hon. Pravind Jugnauth who spoke just before me. I have been waiting to know his views on the Bill, but I did not hear them. Hon. Jugnauth made very, very long comments on what he did when he was Minister of Finance and what, apparently, this Government, the Minister of Finance, Dr. Sithanen, did not do over the past four and a half years.

*Donc, alors que nous nous attendions tous à des commentaires sur le projet de loi, nous avons eu droit, en fait, à un procès en règle de l'honorable Pravind Jugnauth contre le ministre des finances. Je commenterai sur plusieurs remarques de l'honorable Pravind Jugnauth.* He said, among others, that the presentation of this Bill now, that is, at this moment in time, is an acknowledgement of failure. I cannot understand, Mr Speaker, Sir. The rationale of such a statement does not seem to make sense. The hon. Member seems to forget that everything needs to be improved, everything needs to be enhanced, and it is human nature and actually part of good governance to try to make things better. Should we say, for example, that the Government,

of which he was a senior member, did not address the issue of competition, therefore, they considered that competition was ideal and perfect in Mauritius? Should we say that, because they did not address the issue of equal opportunities, they think or they thought that equal opportunities existed perfectly in this country? Should we say that they considered that socio-economic inequalities did not exist in Mauritius, because they did not address it? Did they think that business facilitation was perfect in Mauritius, because they did not address it?

M. le président, je ne vais pas faire un procès à l'honorable Jugnauth sur ces choses-là, mais, comme je l'ai dit, je n'arrive pas à comprendre la rationalité de sa remarque sur le *timing* de la présentation de ce projet de loi. Un projet de loi est présenté, parce que nous voulons améliorer les choses ; ce que ne semble pas comprendre l'honorable membre. L'honorable Jugnauth a encore fait une ou deux remarques sur ce qui semble être pour lui des manquements majeurs de ce gouvernement concernant le traitement des petites et moyennes entreprises.

I would just like, Mr Speaker, Sir, to refresh memories - if that is needed -, to go very briefly through the measures implemented since August 2005, when the hon. Minister of Finance presented in this House his document 'Setting the Stage for Robust Growth'. Measures implemented as from October 2005: loan schemes, micro-credit scheme under the Trust Fund for the social integration of vulnerable groups, both for Mauritius and for Rodrigues - interest rates revised downwards; loans for the purchase of production equipment - interest rates revised downwards; loans for modernisation - interest rates revised downwards; loans for working capital - interest rates revised downwards. Measures introduced as from the Budget Speech of 2006/2007: the quasi-equity financing scheme introduced in October 2006, following the Budget Speech of 2006/2007. From October 2006 to October 2009, Mr Speaker, Sir, a total investment of nearly Rs30 m. has been approved by the Development Bank of Mauritius in favour of 100 SMEs.

The booster scheme, micro credit scheme was launched in December 2006 with a loan ceiling of Rs50,000 at a rate of 9%. Following Budget Speech 2007/2008, the ceiling was raised from Rs50,000 to Rs75,000. Following Budget Speech 2008/2009, the ceiling was again raised from Rs75,000 to Rs100,000. From December 2006 when the scheme was introduced to October 2009, that is, last month, the Development Bank of Mauritius has sanctioned loans to a

thousand beneficiaries for an aggregate amount of Rs54.6 m. out of which an amount of Rs45 m. has been disbursed already and the repayment rate up to now has been 40%.

Hon. Jugnauth dwelt very lengthily on industrial space, Mr Speaker, Sir. There are three remarks. La Tour Koenig Industrial Estate providing space from 1,000 to 2,000 square feet, totalling 35,000 square feet, has been constructed. Construction works have been completed. Terre Rouge Industrial Estates, 20 units of industrial building providing space ranging again from 1,000 to 2,000 square feet, totalling 35,000 square feet have been constructed. Construction works have been completed. I hope I understood properly hon. Pravind Jugnauth.

In paragraph 290 of the Budget Speech of 2007/2008, the hon. Minister of Finance mentioned the following, I quote –

“(...) industrial estates will be set up to cater to SMEs. 3 new estates, each with 20 units will be built in Terre Rouge.”

That is done.

“La Tour Koenig.”

That is done.

“And Highlands.”

What I mean, Mr Speaker, Sir, is the hon. Minister of Finance never mentioned a new industrial estate at Vacoas/Phoenix. What was mentioned was an industrial estate in Highlands, but then the Development Bank of Mauritius could not go ahead - for reasons which we will not debate here - with an industrial estate in Highlands. Therefore, it proceeded with the conversion of an existing industrial building of 25,000 square feet at the industrial estate in Phoenix. That building has been renovated and refurbished in order to provide 14 units of industrial space, again ranging from 1,000 to 2,000 square feet and renovation works, for the information of Members, are almost completed.

Budget Speech 2008/2009, Mr Speaker, Sir. New loan schemes earmarked for women entrepreneurs who had difficulty to have access to finance due to their marital status. These ladies could obtain loans up to Rs100,000 at 9% per year, repayable over a period of four years after a moratorium of one year. Of course, without mentioning schemes which have been set up for in-lagoon fishers through Co-operative Credit Unions in Rodrigues, schemes which have been set up to help taxi drivers who have been suffering following problems in the tourism sector, rescheduling of SME loans, what we have called the Amnesty scheme, etc.

It is not my intention, Mr Speaker, Sir, to go through all the measures which have been introduced since July 2005. The result of all that is very clear and very simple. Gross output of SMEs has risen from then from Rs29 billion to Rs75 billion, a three-fold increase, Mr Speaker, Sir, in the past four and a half years in the gross output of SMEs. If this is not telling, then what is it, Mr Speaker, Sir?

The contribution of SMEs to GDP is now 20%. The contribution of SMEs to employment is now 43% and according to official statistics, I haven't cooked up these figures. Between 2000 and 2005, according to SMIDO figures, 428 SMEs have been registered - 428 *Petites et Moyennes Entreprises*. And from 2005 up to now, 11,000 SMEs have been registered. Hon. Jugnauth has mentioned that a number of them have failed. Sure! But then what is that country in the world, Mr Speaker, Sir, where there is no failure of an enterprise and it is very well-known. It is a well-known fact, a well documented fact that in any society SMEs are born and some of them survive, some of them prosper and some of them die. But the comparison, I think, does not need any more comments.

Let me say one last thing about SEHDA. SEHDA, through its enterprise caravans, has been going around this country, talking and explaining to people. We all know, Mr Speaker, Sir, that before anybody starts an enterprise, before anybody becomes an entrepreneur, what is needed, first of all, is *un esprit d'entreprise*, what is needed first of all is the capacity to convert this *esprit d'entreprise* into an actual enterprise and what SEHDA has done is an extraordinary job of talking, sensitising and educating people, simply opening windows of opportunities for people who had not even dreamt about becoming entrepreneurs.

Mr Speaker, Sir, I will now, as a conclusion, go through a few issues which have been mentioned in this Bill and which, I think, are of extreme importance if we really want to see not only a development and an enhancement of SME culture in Mauritius, but if we want to see the development of entrepreneurship in general. The first issue is the promotion and enhancement of an entrepreneurship culture. These points are addressed in sections 4 (f), 5 (a) and 5 (p) of the Bill. The Bill says very clearly that its main objective is to provide a more responsive institutional framework. Basically this Bill is about structure. It is about framework and institutional set up. This Bill does not say the opposite that structures, frameworks, institutional set ups do not create entrepreneurs. Just like a good management set up does not necessarily initiate business. Business is initiated by business people, at least by people who have a business

idea, initiated by people who are willing to take risks, to focus and to go the hard way. Similarly, structures and frameworks do not necessarily generate entrepreneurs. We are not going to enter into the nature versus nurture debate, but what I mean is that entrepreneurship can be inculcated and has to be inculcated. It is part of education and socialisation. And the Minister of Business who has now taken the initiative of introducing this Bill has inherited a wonderful job which, as I have said before, has been done by SEHDA in terms of inculcation of entrepreneurship culture, in terms of education and in terms of socialisation. This is being said, Mr Speaker, Sir, in response to what the hon. Leader of the Opposition said two weeks ago that this Bill does not really offer concrete solutions, that this Bill doesn't contain measures and, of course, it is obvious that this Bill, as we have said, is not meant to present specific, financial, fiscal measures to help SMEs. This Bill, as we have said, is about structures, frameworks and institutional set-ups.

The second important point is business facilitation for SMEs and micro-enterprises. The Business Facilitation Act of 2006 has removed numerous hurdles, Mr Speaker, Sir, in the way of SME's capability to start business. Number of years ago, an entrepreneur or potential entrepreneur needed six months to obtain permits to start a business. This has been reduced to three days. Training which is a major issue is now offered by SEHDA, by HRDC, by NICE, by the Women Entrepreneur Council of my good friend the hon. Minister for Women's Rights, Child Development and Family Welfare.

Training is offered by empowerment foundation, there is a multitude, there is an array of institutions which offer training and capacity building and section 6 (b) of this Bill is very important in terms of business facilitation. I'll quote just that sentence –

*“The Bill aims to establish such mechanisms as may be necessary with public sector agencies for the expeditious and timely processing of any application for funding and any relevant permit.”*

Because we still think that facilitation for SME's should not be considered on a sort of a level playing field as any other enterprise.

I hold the view personally that SMEs should be given a priority, that SMEs should be further facilitated and I wish to mention here one example which I had the opportunity of discussing with my friend, the hon. Minister of Labour, Industrial Relations and Employment. Mr Speaker, Sir, if somebody wants to apply for a job contractor's permit to become a job



contractor, for example, in the field of construction. According to sections 55, 56 and 57 of the Employment Rights Act, the applicant must show proof of having worked for 10 years in a similar enterprise, that is, if somebody wants to apply for a job contractor's permit to become a contractor of masonry, he has to show proof of having worked in a reliable firm of construction over the past ten years and in case he has not worked for ten years in such a company, he has to employ an engineer. First of all, I have never laid a brick in my life, Mr Speaker, Sir, but I could tomorrow decide to become a job contractor in the field of masonry and construction. I may have some money to invest; I may have some investors who are willing to put their money behind me and I am willing to recruit people and to outsource services to do a good job, but then the law requires from me that I have to work, that I must have experience for ten years in a construction company. And in case I don't have that experience, then I need to recruit an engineer. At the going market rates, Mr Speaker, Sir, the cost of employment of an engineer, including salaries, perks, NPS, pension schemes, probably company car, etc., etc. would be anything between Rs90,000 and Rs100,000 per month which means that such a start-up company working, let's say, at a mark-up of 10%, would need to have a turnover of Rs1 m. per month just to pay for an engineer without mentioning, of course, what it would cost to employ other people and what would come as a profit.

Actually, we have to be honest about it, Mr Speaker, Sir. Terms and conditions for obtention of certain operating permits can be quite fastidious, and I would like to bring that to the attention of the hon. Minister for Business, Enterprise and Cooperatives that he consults to have the necessary amendments brought to necessary laws so that the conditions for obtention of relevant permits be further facilitated. Of course, we have also the high costs involved. For example, for an SME to obtain a permit from a local authority, he has to submit a plan of the building in which he is situated, which costs money. He has to put up notices in newspapers over and above notices which he or she will affix on the building which he is planning to occupy and all these involve costs.

For bigger companies, Mr Speaker, Sir, having a building plan, recruiting an engineer, a draughtsman or an architect to do that, paying for that, paying for notices in newspapers may be very simple and not represent any consequent costs, but for most SMEs, this can be very exorbitant and I would again appeal to the Minister of Business, Enterprise and Cooperatives to revisit maybe the legislation. I know that a law is a law, Mr Speaker, Sir, and laws have to be

respected, but, very often, in the practice of SMEs, we notice a far too rigid implementation of the laws without an offer of an alternative. We agree on rigid implementation of the law, but alternatives should be provided and indeed fundamentally we should review the whole concept of facilitation for SMEs and for micro enterprises.

Mr Speaker, Sir, most of our SMEs depend entirely on the local market, whereas - and this is very paradoxical - this country historically has been an importing and an exporting country. If we look at it very carefully, not only we are a nation of farmers, but we are also a nation of traders. However, our SMEs seem to be bounded by the perimeter of our island. If we look at our best performing economic modules, sugar and sugar cane by-products, textiles and clothing, tourism, ICT services, all these sectors, all these modules, Mr Speaker, Sir, are based on exports, all are export-driven. But, again, most of our SMEs remain in a position of unstable equilibrium because of their almost complete dependence on the local market which, as we know, is limited and the only chance of moving up the value chain for SMEs is export and we do have the capacity, Mr Speaker, Sir. If in the cultural and artistic field, Malcolm de Chazal has become an international artist, poet, Le Clézio, Ananda Devi, Abhimanyu Unnuth, Otentik Street Brothers, if we can produce such literary and cultural genius that we can export, in a way of speaking, to the world, if we can carry out cultural export, why can't our SMEs carry out export of goods and services? But what is lacking - and, again, I would like to make an appeal to my good friend, the hon. Minister of Business, Enterprise and Cooperatives - for our SMEs to be able to export is structures, structures to export, networking with export markets, expertise to export and the financial capability to be able to finance export. And, of course, all this will lead to what we call *une exigence de qualité* which is definitely an objective that we should aim at.

Therefore, I would wish to suggest that the forthcoming SME Development Authority also focus on these very fundamental requirements, export houses, facilitation for exports as a meaningful development for SMEs.

This can be done through ambivalent export houses, the responsibility of which will be to carry out the upgrading of the SMEs; technical, technological and expertise, to carry out quality upliftment, to carry out quality control and to carry out facilitation of market access. Of course, there is another alternative and the two are not mutually exclusive, that is, link up with existing local export oriented supply chains with bigger companies that work already with the export

markets. Of course, this requires a specialisation and a special effort by those bigger companies to integrate SMEs and smaller players in their supply chain.

Mr Speaker, Sir, I would wish to end here, but before doing that I would like to suggest that the forthcoming SMEs Development Authority Bill really focuses on these very fundamental questions, my conclusion being that structures, institutional setups and frameworks are good, but that should especially take our SMEs one or two steps up the ladder so that they become surviving companies and beyond that, successful companies.

Thank you, Mr Speaker, Sir.

(6.22 p.m.)

**Mr J. C. Barbier (Third Member for GRNW & Port Louis West):** Mr Speaker, Sir, allow me to contribute a few words to the debate of the Small and Medium Enterprises Development Authority Bill.

M. le président, pour moi c'est une suite logique de la démarche de cette législation. C'est surtout d'essayer d'améliorer la législation qui est toujours en force, c'est à dire le SEHDA, que l'ancien gouvernement avait voté en fin de mandat et que durant l'application de cette législation, le gouvernement du jour a pu, en l'appliquant, trouver certaines faiblesses, certaines failles et donc faire certaines améliorations. Il n'y a rien de nouveau car le parlement est fait pour cela. Avant le SEHDA, il y avait le SMIDO, donc il a fallu améliorer le SMIDO *Act* qui a engendré le SEHDA et aujourd'hui on essaye encore d'améliorer pour le SMEDA.

Ceci dit, M. le président, il n'y a rien de nouveau. Je suis sûr qu'on ne va pas s'arrêter là et en appliquant cette loi, on aura encore d'autres améliorations dans le futur, c'est sûr et certain. Cela a toujours été ainsi et ce sera toujours ainsi. C'est pour cela que je ne comprends pas l'attitude du ministre qui a été très critique en présentant cette législation à la Chambre allant même jusqu'à dire -

«... the biggest mistake was that the medium sector was ironically left out», ainsi de suite. Il a été très critique tout au long de son discours par rapport à l'ancien gouvernement qui trouvait qu'il manquait ceci ou cela. Donc, le gouvernement de demain viendra sûrement améliorer ce qui est mis en place aujourd'hui par cette Chambre.

Mr Speaker, Sir, this Government has decided to categorise the industry by the amount of the turnover, which means that those who have a turnover of less than Rs10 m. will be classified as a small industry and those over Rs10 m. to Rs50 m. to be medium industry. My question is: why? Why classifying by the turnover and not by the number of employees? The Minister will have to stress more and explain on this issue.

To my knowledge, Mr Speaker, Sir, in a small industry with a turnover of, let us say Rs10 m., you may give employment to more than 60 persons. Believe me, in this small industry, the average salary today is around Rs6,000 per employee, a bit more or a bit less. Rs6000 per 60 employees by 12 months amounts to maybe Rs4.5 m. to Rs4.6 m. in a year. With the cost of all other *intrants*, with a turnover of Rs10 m. you can give employment to maybe around 60 persons in a small industry. You may have a medium industry in the jewellery sector, to take the same example as the Minister took last time, with a turnover of Rs50 m. and only have five employees. We all know that the main object of the small enterprise is to give employment to the population. So, I think that we must give much more importance to the amount of employment which is being created through these enterprises rather than the turnover. This is my point of view and I would like the Minister to convince me otherwise what will be better for the country, more employment or a big turnover which can have a jobless growth at the end of the day. We may come to this point if we go in that direction. That is why I am suggesting Government to give much more importance to the creation of jobs rather than a big turnover.

The Minister, in his speech, tried to convince us that the number of registered SMEs was some 428 and now has moved to 11,000. But, the Minister forgets to tell us that prior to the coming into force of the Business Registration, there was no need for a small enterprise to be registered. The registration card which has been introduced by this Government now makes it compulsory for each and every small enterprise to have a registration card. Wherever you go, be it in the local authority or elsewhere, even for the incorporation of your business, the first thing which will be asked is “where is your registration card?”. It means that prior to this legislation, many of these small operators did not get registered because there was no compulsory law for that. That is why, when this has been introduced, there has been this considerable increase in the number of registered SMEs. This is the only reason. Maybe there has been a few more within the course of this mandate, but the SMEs were already there and there was not the policy of registration card.

You will have to explain to me if this really was the case, if there were only 428 SMEs, when it increased from 428 to 11,000 it is like 25 times more, 2,500% of increase. Explain why the employment by the SMEs which was 33% in 2005 only moved to 43%, an increase of only 10%. If we have an increase in the number of the SMEs by 25 times more, there is no rationale when we see that the increase in employment is only 10%./...

We know that in bringing this new policy of registration even those *marchands dholl puri, roti* and so on are now in the net. Many of these operators, in the past, were functioning in a parallel economy. With this compulsory registration all these SMEs are now in the net and even the *marchands dholl puri* today are being visited by the MRA. I know a case where a *marchand dholl puri* has a got a claim of Rs3 m. from the MRA. I am just explaining that they are now in the net, that is why there is an increase in the number because of the new procedures of the compulsory registration process which has been set by the new legislation.

Mr Speaker, Sir, the hon. Vice-Prime Minister and Minister Finance in his speech talked about the ICT. He said that ICT which was contributing 0.5% to the GDP in 2005 is now contributing 7.5%, which means that there is a considerable increase in the jobs and the turnover in the ICT field. But the hon. Minister forgets also to tell us that the base was there, the setting was there. There were already 2,000 jobs there. This Government has only to work on the existing base, catalysing what was already in place. They must recognise this fact and this is why today I want my friends, on the other side, to remember that many of them while campaigning in the last election were saying that this was an *éléphant blanc*....

**Mr Speaker:** No, we should not go back...

*(Interruptions)*

**Mr Barbier:** Yes, even Mr Speaker, Sir,...

**Mr Speaker:** The debate concerns the Bill. We do not have to go back as to what was done five years ago.

**Mr Barbier:** I am reacting to what the Minister of Finance said in his speech concerning the progress in bringing the ICT. Today, Mr Speaker, Sir, the same people were saying: *zenfants cités pena mangé ki cybercité pe causé*. Today they are praising themselves for the achievement within the ICT field. I am referring to the speech, Mr Speaker, Sir, of the hon. Minister of Finance. Mr Speaker, Sir, I am not going to be long, I just wanted the House to remember this very fundamental point today.

What are the problems of the ICT today? The hon. Minister talked about collateral in his Budget Speech, that Government is giving facilities for loans without collateral, but this exists since 1983. If the hon. Minister goes as far back as 1983, he will see that in these days already Government was giving a maximum of Rs50,000 as loans without collateral to encourage those who were unemployed to start a business. This is not something which they start now. This is something which exists for more than 20 years. But I must say they still have this problem of credit facility. It is still very difficult and very tough for those who are in the small industry to be able to have access to credit. There is still a lot to be done at this level and I would like that this new constituted authority would give all the possibilities to all those who are trying to set up their business today so that they do not have the same problem that we are having in the past.

What is going on today in the SMEs? There are so many manufacturing industries where we do not really have the necessary skills for the SMEs to develop. There is a lack of manual qualified skill workers today in this field. This is where I think Government must give a very helpful hand to this community of small entrepreneurs. This is very, very important. Today we have a lot of people who are unemployed, they cannot find jobs and we are importing massively labour force from China, Bangladesh, India and other countries. Do you know why? It is because there is a lack of training today. We do not have qualified people and we have unemployed, they do not have the necessary skills and we are importing labour from outside Mauritius. We must tackle this problem of training and give the opportunity to our Mauritian fellowship to be able to acquire the necessary training, knowledge to be able to participate in the development of SMEs in Mauritius. This is very, very important, Mr Speaker, Sir.

There is also the problem of competition. Most of our raw materials are being imported from China or the surrounding countries. When we add the price we paid together with the transport and the local charges, it will cost us double the price which we initially paid in China. In Mauritius we have to pay 15% TVA to get it out of the Customs. The raw materials cost double price and we have the labour force which is not trained, but more expensive. The problem of competition is very, very difficult today for those in the manufacturing industry to compete with those countries like China and others.

What I am proposing to the hon. Minister – Budget is coming in a few days - is that I think we must adopt a policy of zero rated for all raw materials which are to be imported for manufacturing industry in Mauritius, be it for *zone franche*, small or medium industries. What I

mean is not to impose any levy, not to impose any tax, any TVA on these raw materials and if need be, even subsidising the labour force of the small industry so that we may compete in the new competition atmosphere around the world.

Mr Speaker, Sir, my plea is that Government gives the necessary *encadrement au niveau de la formation, du finance, du marché, du marketing*. *Donc, c'est très important, M. le président, de garder notre objectif vers le plein emploi et j'espère de tout cœur pour notre pays que le gouvernement réussisse dans cette direction, parce qu'il y va de la stabilité économique et sociale de notre pays.*

*Merci, M. le président.*

(6.40 p.m)

**The Minister of Industry, Science & Research (Mr D. Gokhool):** Mr Speaker, Sir, I would like first of all to make a few opening remarks on the Small and Medium Enterprises Development Authority Bill. But, before doing so, I would like, as previous orators on this side of the House have done before me, to congratulate my colleague, Minister Gowressoo, for bringing this Bill to the House.

Mr Speaker, Sir, I would like to look at this Bill, coming at this point in time when the country has experienced one of the most difficult financial and economic crisis, as a strategic response to the challenges and opportunities being faced by SMEs in the context of globalisation. I think this is a strategic response on what we do ensure the survival and the success of a very important sector of our economy. Therefore, this Bill is a blueprint for the survival and success of our SMEs. I would also like to underline, Mr Speaker, Sir, that this Bill is an integral part of Government programme, its economic reform agenda to tackle the challenges and take advantage of the opportunities of globalisation. My first point is: we have to position this Bill in the context of globalisation, and how to ensure the survival and success of SMEs. Mr Speaker, Sir, we have heard comments and observations from both sides of the House that SMEs constitute the very backbone of many developed economies; from USA, Japan, Europe, even the Asian economies and also the developing economies. SMEs are the very backbone of many economies; developed and developing. They contribute significantly to economic growth,

economic development, and also to a large extent to social mobility. In fact, if we look at the Government programme, there are several paragraphs which have been devoted to the importance of SMEs in the context of our overall Government programme. Therefore, SMEs play a very critical role in the shaping of the economy.

Mr Speaker, Sir, I have listened to comments from the Leader of the Opposition. I have also listened to comments from hon. Pravind Jugnauth about whether this Government has done justice to SMEs. The SME sector is a very complex sector, and it is very difficult to make sweeping generalisation. I think we should refrain from making sweeping generalisations about whether the SMEs have failed or how far they have succeeded. In fact, if you look at it from pre-independence, independence and even post-independence, SMEs have moved on. I would refrain from making comparison. What I would say is that, if you look at the figures, which I have with me, about how SMEs have been doing, we can see that SMEs have contributed significantly throughout. Maybe, there have been weaknesses at a certain point in time, but they have contributed significantly. For example, Mr Speaker, Sir, in 2002, there were 75,000 establishments and 176,000 employments in this sector, and they contributed to 14% of the GDP. As we moved on, in 2005, they accounted for 194,000 employments. In 2002, it was 75,000 establishments and, in 2007, the figures moved to 92,388, which means a significant increase in the number of establishments. So, did the number of employments from 176,000 in 2002 to 211,582, and they now contribute to 20% of the GDP. There has been significant progress as we have moved along. I would tend to think that SMEs have been moving on. By bringing this Bill to the House, what we are aiming at is how to consolidate the SMEs, so that SMEs can play a more effective role in the economy.

Mr Speaker, Sir, the Leader of the Opposition as well as hon. Pravind Jugnauth mentioned about the timing of this Bill. Mr Speaker, Sir, let me inform the House that, first, as I mentioned, the Bill forms part of the Government programme. In 2005, it was mentioned that we are going to bring about reform in the SME sector.

In 2008, the then Ministry of Industry, Commerce and Cooperatives initiated steps for a new strategy for industry and SME. That was in May 2008, There was no written strategy for industry and the SMEs. Thereafter, the *Agence Française de Développement* put at the disposal of the Ministry the services of a consultant, Mr John Baez, who works for a German consultancy



firm, and a working group chaired by the Ministry of Industry, Commerce and Cooperatives, including representatives of the Ministry of Finance and representatives of the public and private sectors, was set up to prepare the document; that was in 2008. In September 2008, the Ministry of Business, Enterprise - that was after the Cabinet reshuffle - and the Minister of Industry, Science and Research, that is, my Ministry, looked at the document prepared by the working group, and this document was recast, retaining the main elements, which means that the reform of the SME was in the Government programme and, thereafter, a committee was set up, a consultant was employed to look at the sector and make proposals. This is the basis of the Bill, which is before the House. So, it is not a question of bringing the Bill at the last moment. There has been a lot of work that has been done to prepare the Bill and bring it to the House. This Bill is inspired from the Government programme and also from the work which has been done by the committee.

Mr Speaker, Sir, the Opposition has tried to suggest that the performance of the SME sector been dismal; that it has not been performing well. Mr Speaker, Sir, true it is a difficult sector, and there are some enterprises which may face difficulties, but we must not only look at enterprises which have faced difficulties. There are also very good success stories in the SME sector.

Reference has been made to Mr Deerpalsing, the Chairman of the Federation, who has made several statements about the difficulties of the SME sector *mais c'est un son de cloche, M. le president. Il y a d'autres exemples de réussite que je voudrais citer. Par exemple, récemment, one woman entrepreneur has persevered and has become a success story, not only in Mauritius but also overseas. It is Aline Wong récompensée au Congrès Mondial des femmes chefs d'entreprises. This is a success story. Similarly I can also mention the case of another young lady, Sooriah Dadool of l'Espérance, Trébuchet who has also done very well. She started a small enterprise and it is mentioned in the report about the enterprise that sa petite entreprise est devenue prospère en quelques années seulement. This is another success story. Then we have another good example of a young entrepreneur in a very niche market, that is, Nissur Dowluth, a graphic designer who started his enterprise in 2004 and he won an international award which means that the SME sector is not as depicted by the Opposition. There are difficulties, but there are also success stories and we have to celebrate these success stories.*

Mr Speaker, Sir, I, myself, as part of my responsibility as Minister, visit enterprises. I visit the large, medium and small enterprises and I can see that many of these enterprises are doing extremely well. For example, there is another good example of a medium enterprise Mopirove. It started some 25 years ago and this enterprise now exports to Africa. It has been very successful and it is trying to move to international markets. I think we have to reckon that while the SME sector is a difficult sector, there are enterprises which are doing extremely well and it is true that we have, from time to time, to revisit the measures in order to give them the right support so that they can do better and better.

Mr Speaker, Sir, I am not going to go back to the measures which have already been explained, the measures which Government has taken to support the enterprises, but I would just mention that we have expanded the support to the small and medium enterprises. Apart from the measures which have been specifically designed for the SMEs, there was a time when Enterprise Mauritius, which falls under my Ministry, used to support the larger enterprises. But we want the small enterprises also to benefit from the services of Enterprise Mauritius. That's where whenever there are fairs and exhibitions which are held overseas, we have changed the policy so that even the small and medium enterprises can participate. I have the figures here of recently how many small and medium enterprises have been given the opportunity to participate in these international fairs and exhibitions. We have very important exhibitions zoomed by FATEX; the Magic Show; Texworld in Paris; the contact promotion programme in Scandinavia, the contact promotion programme in Italy and in all these missions, we have included the small and medium enterprises. This means that the support that is being provided to SMEs is expanding and Enterprise Mauritius is playing an important role to boost the performance and the export potential of the small and medium enterprises.

Recently, Government has also set up, for the benefit of the small and medium enterprises in the sugar sector, a Finance Leasing Scheme so that these enterprises in the sugar sector can also acquire new technology and new facilities in order to improve their performance. I am sure that my colleague, Minister Indranee Seebun, when she will speak about women entrepreneurs, will give a list of schemes that have been introduced to support the women entrepreneurs.

Mr Speaker, Sir, as I said at the beginning of my intervention, this Bill has to be contextualised. It is a Bill which is contained in the Government Programme. It is coming in a

context of globalisation and there is need to reposition the SME sector so that it can survive and also prosper in a new context. It is true that when we put schemes, there are enterprises which find it difficult to access these schemes and I think this is where the new Bill will facilitate the process. Facilitation is one of the important issues that the SMEDA Bill will address because this is where there may be weaknesses so that SMEs can access the facilities and make good use of the facilities which have been provided. The other remark which I would like to make is that we have the Ministry of Business, Enterprise and Cooperatives, a dedicated ministry, which looks after SMEs. My Ministry also has a role to support, in particular, capacity building and the export potential of SMEs. Then there is the Ministry of Women's Rights, Child Development and Family Welfare which has to look after the women entrepreneurs. What I think the new Authority should do is consolidate the coordination aspect because, right now, the way SMEs are structured, it is at the level of several ministries because each one has got a particular contribution to make for the benefit of the SMEs. What is needed really is a mechanism for coordinating all these initiatives so that we can see the progress and the impact. I think this is one of the areas where the new Authority should put a lot of efforts so that we can see the progress of the sector.

Mr Speaker, Sir, this Bill comes at an opportune time and it has a vision; it has a strategy and the Authority which will be set up is going to provide a lot of support. I am sure that, with the measures that we have put in place and the new Authority, the institutional framework, which will be set up, the SMEs will become more effective and will be able to evolve with much confidence in this new context, that is, globalisation.

I would like once again to congratulate my colleague for bringing the Bill and wish that this Bill becomes a very powerful tool for the promotion of SMEs.

Thank you Mr Speaker Sir.

**(6.58 p.m.)**

**Mrs M. Martin (Second Member for Curepipe and Midlands):** Mr Speaker, Sir, I must, first, thank you for giving me the opportunity to address this House on such a Bill.

The Small and Medium Enterprises Development Authority Bill, which is brought forward today before this House, consequently repeals the former Small Enterprises and

Handicraft Development Authority Act. Furthermore, besides the objects mentioned in the current Bill which has been circulated to us, I understand that the Minister, with this piece of legislation, also wishes to bring about a boost to the prevailing situation amidst the larger picture of a global world crisis in which our SMEs, which are mostly enterprises whose products are distributed on the local market, find themselves currently.

Yet is the situation going to change really with this new piece of legislation that we are invited to discuss upon today? Honestly, Mr Speaker, Sir, I doubt it. My hon. friend, hon. Cader Sayed Hossen, who is, unfortunately, not here, mentioned that hon. Jugnauth made a *procès en règle* to Dr. hon. Sithanen *et qu'il a cité en détail les mesures que lui même avait mises sur pied*.

*Just as an aparté, I would answer him qu'il faut faire la différence entre un constat et un procès.* Dire que certains plans ont été mis sur pied par l'honorable Jugnauth et enlevés ou interrompus par l'honorable Dr. Sithanen n'est pas un procès, c'est un constat, un fait. L'honorable Cader Sayed-Hossen parle aussi du désir de ce gouvernement d'améliorer les choses, que des lois telles que l'*Equal Opportunity Act* ont été votées. Mais quid de son implémentation, M. le président, est-ce ainsi que l'on quantifie les avancées concrètes? Et parlant de *facilitation processes, is it a success or a failure?*

Hon. Gokhool who just spoke before me, underlined that this Bill has vision and strategy. But I would perhaps ask myself the question and I would try to elaborate further when I go on debating on this Bill, whether this vision and strategy is directed towards the SMEs or towards their interests on that of the constitution of the Board which I am going to speak on a little bit later. Here, Mr Speaker, Sir, we have a Bill which on the surface, at least, appears to be ambitious and advocates to be progressive whilst, in fact, it brings only cosmetic, superficial propositions to a situation that requires much deeper remedy. And this is the crux of the matter.

I will go even further. This Bill, as it is, enhances the problem through a lack of dialogue among the main representatives of SMEs, that is, the entrepreneurs themselves and Government. *Ce projet de loi, M. le président, c'est un peu comme donner du paracétamol à un cancéreux. Cela ne soulagera pas la douleur et certainement, cela ne soignera pas la maladie.*

Indeed, in this Bill, there is much to talk about as others have demonstrated before me. But as usual, on the Government's side, it is to be expected, praise is being awarded to the presenter of the Bill. But is it really worthy of the praise given?

As for myself, I will endeavour to strengthen some of the points made by hon. Jugnauth. But I have chosen also to restrict my intervention to the following points: first the general objects and functions of this Authority; second, the appointment of members on the SME Development Board, especially, as regards representatives of SMEs; third, the procedure subsequent to cancellation or variation of a SME's registration certificate, and fourth, the definition of medium enterprises as per the Bill.

Hon. Minister Gowressoo has said, as an ending remark, that he welcomes suggestions. Therefore, I will also endeavour to give during the course of my speech, some suggestions and make reflections which, I believe, should be taken into consideration and, be they taken into consideration, would further help to push forward the cause of the SMEs because, in the end, what counts in this Bill is to help establishing a framework favourable to constructing a whole programme to help boost the SME sector, help entrepreneurs grow, vary and further develop their businesses.

Mr Speaker, Sir, everyone seems to agree that SMEs have, in the present situation, a great potential for growth and can contribute significantly to alleviate poverty through the creation of employment. According to the latest statistics, SMEs account for about 43% of job creation and thus being the largest job creator in the country. They engage their products mostly in local distribution and contribute to some 20% of GDP growth.

Mr Speaker, Sir, SMEs, and this is a fact recognised by all, have potential to achieve much more, provided they are given the opportunity and conducive environment to help develop their activities to the full. For example, in the APEC region, they constitute about 60 per cent of the workforce and 90 per cent of all businesses. There is no reason given the right conditions that Mauritius cannot do the same or even better.

The specificity of SMEs is its capacity for creativity, flexibility and innovation. Yet, its size can be a source of resilience when crisis hits and also a vulnerability when it comes to its capacity to benefit from credit or loan facilities and adequate marketing of their products in order to counter the effects of competition, especially with imported products. In some sectors, the imported products constitute major obstacles for the entrepreneur to overcome in order to develop his business activity adequately. *C'est pourquoi le Trade (Anti-Dumping and Countervailing Measures) Bill est aussi important, mais on doit également prendre le temps de*

*créer un environnement propice au développement des PME pour diminuer leur vulnérabilité vis-à-vis des menaces extérieures.*

Few of our SMEs export their products and the adapted support framework for this part of marketing to be developed appropriately is still being awaited for, not to mention infrastructure, water and electricity supply, Mr Speaker, Sir. Just to mention a few examples, there was supposed to be nine industrial zones where SMEs would be given space to develop. Only one is operational.

*Enterprises which are there are not operating in the sectors for which the region has been earmarked. C'est un cafouillage, M. le président. For example, dans la région de Pailles, nombre de petites entreprises, spécialement celles qui s'engagent dans le secteur alimentaire pour servir les usines et alimenter les travailleurs, ne peuvent opérer que de jour, M. le président, alors que les usines fonctionnent 24 heures sur 24. Car il n'existe pas dans cette région de moyens pour ces petits emplacements de s'alimenter en électricité. C'est donc l'infrastructure de base qui manque, l'eau qui manque, l'électricité qui manque. La situation pourrait être drôle si elle n'était pas dramatique. Alors que ces petits entrepreneurs ne demanderaient pas mieux que de pouvoir travailler, se développer, ils ne peuvent pas. Ce n'est qu'un exemple et on pourrait en citer beaucoup d'autres. Mais il est grand temps que cela change, seulement un conseil ne résoudra pas le problème s'il n'y a pas la vision qu'il faut.*

The hon. Vice-Prime Minister, Dr. Sithanen, recognised the potential of SMEs when he announced measures to make registration for business certificates easier to obtain for those who wanted to launch their own enterprises. But the capacity to start work within three working days seems to have backfired as problems arise after the entrepreneur has engaged into the business with the dire consequences that this can entail for a person who has very little money to invest in his business.

It is unfortunate that the aim behind the measure was to remove people from the list of unemployed and that many of the accompanying measures that were subsequently announced did not follow suit. A simple look at the different budgets presented by him have been quite revealing. On 22 May 2009, he announced the creation of a "joint SME/Customs Committee to crack down on undervaluation of imports competing unfairly" with SMEs of which we have heard nothing yet. What about the MASMED? How about the creation of "risk sharing to encourage lending by commercial banks to SMEs and equity finance to reduce gearing" that had

been announced formerly? This is even more pathetic if we consider that since his first intervention in this House entitled “Setting the stage for Robust Growth in 2005” SMEs were mentioned as a priority, as one of the key sectors and the Minister of Finance had said then that specific and urgent measures would be implemented to address the problem. Although recognised to be a priority, priority of attention has not been given to this sector, Mr Speaker, Sir. Numerous measures announced then are still *lettre morte* today.

Access to SME consultancy services is still awaited for and we can see that this again is mentioned in this Bill. Where is the complete overhauling of the SME department of the DBM that had been announced? And here, we are being made to believe that this - as hon. Gowressoo had said - is a great day for the SME community. Mr Speaker, Sir, this is hard to believe. One has only to see the reaction of the *Fédération des Petites et Moyennes Entreprises* - the main contender in the matter - to understand this. Coming concretely to the Bill, Mr Speaker, Sir, let us take clause 7(2) (j) where it is mentioned that -

“a representative of SMEs, is to be appointed by the Minister”

Others have raised the matter before me, but truly this is a matter of concern, Mr Speaker, Sir. In the repealed SEHDA Bill the corresponding clause, that is, part III, clause 6 (2) (d) makes mention of two representatives from associations of small enterprises to be appointed by the Minister. Here, we find that not only the voice of the SMEs has been decreased by 50%, reduced from two Board members to only one, but also that with a twist of legal phrasing, the opportunity for the representative on the Board to be someone who has genuine concern for the progress of the SME sector and who will have the capacity to raise an unbiased opinion or point of view amidst all the other Ministries representatives on the Board is seriously compromised.

Mr Speaker, Sir, legitimately, what ought to have been done is that mention should have been made for the representative of the *fédération* of SMEs to be appointed by the Minister and not just any SMEs. This has been the standard practice adopted in the past, but this new phrasing opens the door for abuse. Why is it that in this new Bill such a change has occurred? Is it to minimise the divergent voices to the full or to accommodate the exigencies of *certain*s? We cannot help but think so, Mr Speaker, Sir.

Furthermore, section 6 (3), as opposed to the corresponding section in the repealed SEHDA Bill, also opens the door to further abuse of democratic processes where formerly a member other than an *ex officio* member held office for not more than three years and his

eligibility for reappointment was for not more than two consecutive terms, that is, in total nine years. We find now that this eligibility for reappointment in the new Bill can be extended *ad infinitum*, the number of times for reappointment criterion having been removed. Here again, can we suspect that there is something *fishy* going on? For such a measure creates but a situation where someone who holds such a post could stay on that Board for decades, blocking thus the opportunity for others to accede to such a position, present new ideas and innovative processes which are so vital for SMEs to flourish. In other words, it establishes an autocracy where the member would be constructing a power structure which would be benefiting himself first and eventually others who have been favoured by him. This is simply not right, Mr Speaker, Sir. This is not democratic.

I will say a few words on the cancellation and variation of the certificate of registration, Mr Speaker, Sir. Clause 28 (2) of the Small and Medium Enterprises Development Authority Bill develops the idea that the Board can give notice in writing to the holder of the certificate to show cause as to why his registration should not be cancelled or varied. This, Mr Speaker, Sir, should have been to our mind, quantified in a reasonable number of days. For what is reasonable to the Board could not be sufficient time for the enterprise. It also opens the door for the Board to allocate different time frames for submitting explanation from one enterprise to another even enterprises operating within the same sector and having the same parameter of size, qualifying as small or medium enterprises. One time frame to one enterprise and another time frame to other enterprises. Where is the equity and fairness in this measure, Mr Speaker, Sir? On what basis should one enterprise whose application has been rejected or asked to be varied benefit from more or less time than another to submit its explanation in order to save his enterprise's registration certificate from cancellation or variation?

We have here another case of *deux poids deux mesures*. We would like the Minister to explain the rationale behind this and remedy the situation. As for access to proper marketing and fair treatment, this is a real and potent problem, Mr Speaker, Sir. As we are all aware, SMEs can also constitute a major stepping stone to help people, particularly vulnerable women, to come out of the state of dire poverty and earn a decent living. Many women who wish to engage into micro businesses do so without proper support and supervision with results that their products can be substandard and consequently they cannot sell them. Or it can be that the access to market is restricted because they do not have the outlet to sell their products. It is now time to go



beyond participation in occasional fairs to give an opportunity to women and other small entrepreneurs to sell their products, Mr Speaker, Sir. Year in and year out, tents are built under which groups of women are invited once in a while to sell their products locally.

Mr Speaker, Sir, this is not going to help them concretely to expand or flourish their business. One needs to help them accede to the tourist markets and hypermarkets without them being exploited outrageously. Do you know, Mr Speaker, Sir - to take one example - the difference in price that a small entrepreneur sells its product to a supermarket and the price that the supermarket will sell its product to the consumer? Apart from the percentage that the market owner will put on the sale of the products, the entrepreneur has to bear the cost of the space that the product will occupy, the number of days that it will stay on the shelves, the publicity cost and so on. How, in such a situation, can a small entrepreneur with little means, say the vulnerable women I have mentioned before, expect to have a flourishing business when access to the larger market itself is so difficult? No wonder so many persons prefer to sell their products on the roadside! No wonder also there are so many dropouts as hon. Jugnauth had mentioned!

Access to financing, Mr Speaker, Sir, is another problem for SMEs. The partnership between the State and the DBM in favour of SMEs has to be further consolidated and with the definition of medium enterprises it is hoped that commercial banks can now be in a position to elaborate tailor-made packages for SMEs where entrepreneurs can borrow money to invest in their businesses without putting in jeopardy their private possessions. Hope for, but also here, Government has to show the necessary commitment in order to boost the sector. All this has to be addressed, Mr Speaker, Sir, and urgently. It has been more than four years now that we have heard of the will of this Government to redress the situation. It must now show concrete results.

Mr Speaker, Sir, the defining of medium enterprise in an unequivocal way now by this Bill is at least one measure that we can account for. As to say whether it is an accurate one, or more so, an appropriate one, that is entirely another question. One of appreciation, and I will not go into that, but from now on, by definition, therefore, a medium enterprise is one which has an annual turnover of more than Rs10 m. but not more than Rs50 m. *Avec cette nouvelle définition, le gouvernement doit encourager la création d'empaquetage sur mesure, de plan sur mesure, une recommandation constante du FMI dont se réclame l'honorable Dr. Sithanen afin que des banques aident concrètement les PME car elles n'auront jamais accès au crédit sans historique bancaire.*

As we have said, Mr Speaker, Sir, no amount of goodwill or laws will be of any help if there is not a fundamental change in mentality and because of their fragile structure and great exposure to local fluctuations, funding is something which is difficult to find for small enterprises. Let us not blind ourselves, Government will be finding it more and more increasingly difficult to finance SMEs and as it is today banks, Commercial Banks, especially, rarely lend to SMEs. The Development Bank cannot be the sole provider for loans for helping SME's group and because of this undue hardship, improving access to finance is crucial.

SME's, Mr Speaker, Sir, are a very important part of our economy. They are likely to take more and more of importance as their contribution to the GDP growth and employment increase. Therefore, proper dissemination of information is a key issue. Government needs to identify its weakness in thinking of measures to help SMEs. At present, most of them are local businesses, but one would be a fool not to recognise the tremendous potential of SME's to export their products to other markets and it is with this in mind that any law should be made.

Thank you.

*At 7.25 p.m. the sitting was suspended.*

*On resuming at 8.44 p.m. with the Deputy Speaker in the Chair.*

**The Minister of Women's Rights, Child Development and Family Welfare (Mrs I. Seebun):** Mr Deputy Speaker, Sir, allow me, first of all, to congratulate my colleague Minister, the hon. Gowressoo, for spearheading the Small and Medium Enterprises Development Authority Bill which, in fact, creates an improved legal framework in the pursuit of entrepreneurship development in our country.

Mr Deputy Speaker, Sir, I must say that there is nothing more noble that a Government can do other than empowering its people economically by assisting them in becoming strong pillars in the economic development of our country, empowering the disempowered and building a strong producer nation which has always been this Government's priority. This Bill is a revolutionary step towards building a culture of entrepreneurship and in inculcating in the laymen and women the ability to combine land, labour and capital so as to produce goods and services. The Prime Minister, hon. Dr. Navinchandra Ramgoolam has rightly said that human beings are born with different capabilities, they are not alike, but they should be given opportunities to climb the social ladder. Hence, education and training are instrumental

and can substantially help in improving the economic and social status of men and women who are willing to avail themselves of opportunities.

Mr Deputy Speaker, Sir, the passing of this Bill is in line with our Government programme 2005-2010 as expressed at paragraph 74, I quote –

“In line with its vision to create a nation of creative and innovative entrepreneur, Government will provide an integrated package with a series of bold and innovative measures and promote the development of SMEs.”

Indeed, Mr Deputy Speaker, Sir, this measure fits well with the Government’s intent and with the current economic context which calls upon the State to devise policies and programmes as well as enact legislation in favour of the small and medium enterprises. We must all acknowledge that the SMEs contribution to national GDP remains a prerequisite for the sustainability of the Mauritian economy. In fact, it has been estimated that the SME sector contributes around 20% to GDP, 40% of local employment and 18% of total output.

Mr Deputy Speaker, Sir, this Bill will undoubtedly widen our scope of intervention in views of its holistic and integrated approach of the different measures spelt out to promote entrepreneurship development. A holistic approach further provides for sharing of best practices, building on achievements while consolidating service delivery. This Bill, Mr Deputy Speaker, Sir, responds to a long felt need for the establishment of a strong legal institutional framework that will act as a backup support to the various innovative schemes and programmes put in place by this Government. Besides, this Government firmly believes in the potential of both small and medium enterprises and with the enactment of this Bill, the small and medium entrepreneur can now avail themselves of a wide spectrum of services and facilities that will contribute in the boosting up of their enterprises.

Mr Deputy Speaker, Sir, I am particularly pleased to note the gender sensitive approach that the SMEDA Bill has adopted. Indeed, Mr Deputy Speaker, Sir, my Ministry acknowledges the enormous benefits that women entrepreneur can derive from the passing of this Bill. Women entrepreneurs will not only take full advantage of the provisions spelt out in the new Bill, but will also be able to work in closer collaboration with SMEDA to share experiences and resources as well as designing and implementing joint projects and programmes for both men and women entrepreneur. We are facing tough competition due to globalisation and in a world of industry, trade and commerce, the fittest survives. The National Women Entrepreneur Council is assisting

women to be innovative and audacious to embark into niche markets and to come up with value added products that make a difference and which would attract local and foreign markets. We are training women entrepreneur to adopt the market-driven concept. Women are now being assisted by the Enterprise Mauritius in finding markets abroad with even the possibility of getting airfare facilities, amongst others.

It is wrong for some Members to believe that women are producing only pickles and jam. Some people seem to be cut off from the reality. Women are in fact indulged in a wide range of activities from foodstuff, handicraft and textiles to energy saving devices, you name it. Mentoring has recently been introduced. Never before, Mr Deputy Speaker, Sir, was it possible for a woman or man entrepreneur to be guided by a mentor and the possibility of a mentor guiding the new entrepreneur until the business takes off. This has never happened before.

Besides, another hon. Member mentioned about women's inability to repay loan. This used to happen maybe years ago, but no more. Now women are getting loan of up to Rs40,000 and if they group together in a cluster, five women may get up to Rs200,000. For the first time women are getting loans without collateral and what is more interesting is that it is without personal guarantee.

I would just share one experience which really gave me great joy; one woman who was more or less above 60 years had the dream to come up with a pastry producing cakes and birthday cakes at home. She wanted to be skilled and when she was already 60, all her hopes were lost and she felt that she would never be able to make it. But as soon as my Ministry learnt about it, we allowed her to join the group and after a few months, she got the right skills and she is now busy producing cakes and pastries to her great joy. This, Mr Deputy Speaker, Sir, is highly gratifying for me, besides others.

Coming back to the Bill now, Mr Deputy Speaker, Sir, what is striking and innovative about the SMEDA Bill is how it seeks to create an all-inclusive entrepreneur population by taking into account the needs and interests of the different categories of entrepreneur; those with disabilities, the youth, men and women. SMEDA will be offering a series of grass root enterprise development programmes to unleash the entrepreneurial potential of women. Our women entrepreneur will find in the SMEDA Bill opportunities for the sustained and efficient collaboration in areas of marketing, quality management, finance, technology, human resource management and entrepreneurship development. However, the National Women Entrepreneur

Council is already empowering women and giving, for the first time, access to finance, to training and to land.

Another hon. Member on the other side of the House mentioned that nowadays she can find only *salle vertes* and women, in a miserable state, are given the opportunity to market their products. This is not true. In Port Louis, practically every month at the Registrar Building, we organise marketing possibilities for women. We have already negotiated with the Local Government with all the Mayors and Chairmen so that when market places are empty like at Flacq on Saturdays, to give possibilities to the women entrepreneurs to sell their products and each one has to pay only Rs50 for cleaning purposes.

I think it is very easy just to pass remarks, but I wish the hon. Members could avail themselves of all the necessary information from my Ministry so that they may know exactly how much is being done for the women folks.

Mr Deputy Speaker, Sir, I am indeed looking forward for the prompt enforcement of the SMEDA Bill for the benefit of our women entrepreneur. We are expecting greater sharing of information on promising sectors and we can coordinate our efforts to improve delivery capacities./...

Mr Deputy Speaker, Sir, the SMEDA Bill has addressed a major witness by providing a clear and unambiguous definition of small and medium enterprise. A small enterprise will now be referred to an enterprise which has an annual turnover of not more Rs10 m. While a medium enterprise will be an enterprise which has an annual turnover of more than Rs50 m. This broader definition will allow the new institution, SMEDA, to more easily foster the development of SMEs. Everyone will agree that turnover is a more acceptable and realistic measuring rod than the number of employees as was the case formerly.

Mr Deputy Speaker, Sir, the National Women Entrepreneur Council will have a representative on the Board of SMEDA, to enhance the competitiveness of the SMEs. I have no doubt that a stronger institution than SEDHA will improve coordination of activities and promote and develop enterprise. Mr Deputy Speaker, Sir, the National Women Entrepreneur Council has established two business incubators, one at Phoenix and one at Triolet since March 2009. The provision of incubator facilities for SMEs by SMEDA will act a further boost up for the rapid development of these start up enterprises into full-fledged autonomous and flourishing businesses. We can develop joint programmes for start up companies and share skills to promote

modernisation, upgrade technologies, improve quality consciousness and provide hands on training and support entrepreneurs operating in the incubators.

Mr Deputy Speaker, Sir, SMEDA plans to strengthen linkages with large and medium enterprises. This is also an area where SMEDA and National Women Entrepreneur Council must work closely. The Government is committed to increasing market access to SMEs. Jointly National Women Entrepreneur Council and SMEDA can organise buyer and seller meetings so that more products manufactured by SMEs are purchased by hotels, supermarkets and large enterprises. This is already being done. Moreover, we have observed from experience that outsourcing also helps small enterprises to flourish and we are for such initiatives.

Mr Deputy Speaker, Sir, as a Government, we want SMEs to become more viable and resilient.

I am, therefore, looking forward to working closely with SMEDA, to make this happen, particularly as SMEs play a major role in poverty reduction, thus ensuring that more of our citizens, men and women can enter business world confidently. Mr Deputy Speaker, Sir, surveys carried out at my Ministry's level show clearly that there is a strong correlation between poverty and family crisis leading to separation and divorce. Hence, the need for economic empowerment of men and women is felt more than ever. This Bill is a timely instrument to further the cause of poverty alleviation and help people stand on their own feet through enterprise development.

SMEDA will be an autonomous institution and it promises to be a key player to accelerate SMEs growth and development. I have no doubt that with an institution covering both small and medium enterprises there will be more carefully design support services as well as better monitoring of performance. There is a need to develop different mechanisms and support to meet the expectation of small enterprises as opposed to medium enterprises, as well as to give special attention as to women entrepreneur. I welcome with great enthusiasm the setting up of SMEDA. I have no doubt that working closely with National Women Entrepreneur Council will be of great benefit to all SMEs, including Women entrepreneur.

Mr Deputy Speaker, Sir, to the benefit of women entrepreneur operating as sole traders and often facing some disadvantages due to their size compared to large firms, SMEDA and National Women Entrepreneur Council can conduct surveys and provide appropriate market intelligence so that there is a greater collaboration among SMEs, so that they can enjoy the benefits of collective efficiency. I look forward to the launching of pilot projects that will

increase the quality of programmes available to SMEs, particularly to clusters leading to ultimately vertical and horizontal integration.

Mr Deputy Speaker, Sir, I am very optimistic that SMEDA will develop into a very assertive and friendly institution. I expect new initiatives and programmes which will result in higher growth and develop method of SMEs own by both men and women. The Government has a clear vision for SMEs and our commitment has been proved many times since we came to power. The setting up of the SMEDA is yet another example of our commitment to SMEs.

Mr Deputy Speaker, Sir, there is no doubt that the SMEDA Bill can be qualified as *avantgardiste* and progressive as it not only compasses core concepts of entrepreneurship development, but it further aims at leading small and medium enterprises along the path of modernisation to compete successfully in a globalised economy by opening up endless avenues for growth and expansion.

As an end note, I would like to simply say that SMEDA will go a long way in establishing the modern Mauritius that all of us, in particular our hon. Prime Minister is relentlessly thriving for. Thank you.

(8:55 p.m)

**Mr G. Lesjongard (Second Member for Port Louis & Montagne Longue):** M. le président, nous avons deux déclarations paradoxales comme toile de fond à ce projet de loi qui est présenté aujourd'hui au Parlement. La première déclaration est du ministre lui même, quand il avait présenté le projet de loi, il y a quelque temps de cela quand il vint dire à la Chambre que *this is a great day for the SMEs community*.

Mr le président, une semaine après, nous avons la déclaration du président des associations des petites et moyennes entreprises qui regroupent plusieurs secteurs où il vient dire, lui, que l'Etat n'a pas à cœur le sort des petites et moyennes entreprises. Une déclaration lourde de sens, M. le président, dans le sens que, l'association, qui regroupe les petites et moyennes entreprises, vient nous faire part que toute cette panoplie de mesures énoncées par le gouvernement, au fil des années, n'a pas servi à grand-chose aux petites et moyennes entreprises. Deux déclarations paradoxales, M. le président, qui démontrent que, quelque part, dans tout ce qui est dit en ce moment-ci à l'intérieur de cette Chambre, il y a disparité. Par exemple, nous

disons très souvent. M. le président, que le développement des PME et l'épine dorsale de l'économie d'un pays.

Les PME sont pourvoyeurs d'emplois, mais il y a une chose fondamentale en ce qui concerne les petites et moyennes entreprises. Ils sont le moteur de la démocratisation de l'économie d'un pays, or, M. le président, nous savons tous que l'épine dorsale du programme électoral de l'Alliance Sociale repose sur la démocratisation de l'économie. Que voyons nous aujourd'hui, M. le président ? Le gouvernement rate une occasion importante, c'est-à-dire, d'implémenter une des idées phares du programme d'électoral de l'Alliance Sociale, c'est-à-dire la démocratisation de l'économie. C'est pourquoi il faut qu'on se pose la question : est-ce que le gouvernement est sincère dans sa démarche de démocratiser l'économie de notre pays ?

Au cas contraire, ce concept de démocratisation de l'économie restera un mythe pour l'actuel gouvernement. Est-ce que la démocratisation de l'économie ne se résume pas à une affaire de protectionnisme ou à une affaire de copinage, M. le président, où seulement ceux proches du pouvoir seront les bénéficiaires de cette démocratisation de l'économie ? Pourquoi j'avance ce point, M. le président ? Nous avons écouté un peu plus tôt le président de la Commission de la Démocratisation de l'Économie, l'honorable Cader Sayed-Hossen, qui, je comprends, de par son intervention, fait des requêtes à cette Chambre au ministre responsable des petites et moyennes entreprises en lui demandant de venir de l'avant avec des législations plus flexibles pour les petites et moyennes entreprises. Or, dans la préparation de ce projet de loi, je pense que cette Commission a eu tout le temps nécessaire de faire des recommandations au ministre pour qu'on ait toute cette panoplie de mesures concernant la démocratisation de l'économie dans ce projet de loi qui est présenté au parlement. Or, tel n'est pas le cas, M. le président.

M. le président, il a été dit que ce projet de loi amène deux choses majeures concernant les petites et moyennes entreprises. La première c'est une définition claire des moyennes entreprises dans ce pays et le deuxième c'est le remplacement de la SEHDA par la SMEDA, mais avec la même hiérarchie et les mêmes structures, M. le président. Je reviendrais un peu plus tard sur ce qu'a été la SEHDA au fil de ces dernières années. Mais avant d'arriver à cela, M. le président, je pense qu'il y a un manque de choses innovatrices en ce qu'il s'agit des petites et moyennes entreprises dans ce projet de loi.



Mr Deputy Speaker, Sir, when we have a look at the other legislation, we find that today countries have introduced procurement preference policy in their legislation. They have also introduced a delay for payments whereby we know that most of the Small and Medium Enterprises are subcontractors and the delay in contractors effecting payment is a big problem for working capital for those Small and Medium Enterprises, Mr Deputy Speaker, Sir. That is why I am saying that there are, in other legislations, *des idées innovatrices qu'on aurait pu copier et introduire dans le projet de loi.*

It has been said, Mr Deputy Speaker, Sir, that when the previous Government was in power, we had registered only some 429 SMEs and that the actual Government has registered some 11,000 SMEs. I think that there is need for some explanations, Mr Deputy Speaker, Sir, because it was only with the introduction of the Small Enterprise and Handicraft Development Authority Act that we had introduced, in the legislation, the registration of SMEs. Previously, that is, under the SMIDO Act, there was no necessity for registration. That is the first thing.

*La deuxième chose c'est que nous avons une définition assez restrictive des petites et moyennes entreprises dans les législations avant, dans le sens que dans le SMIDO Act, la définition de Small and Medium Enterprise was referred to the definition that existed in the Industrial Expansion Act which catered only for the registration of export enterprise, strategic local enterprise, modernisation and expansion enterprise, industrial building enterprise and pioneer status enterprise, whereas, when the SEHDA Act was voted in Parliament, we had enlarged that definition to include enterprise, that is, enterprise under that Act included every form of trade, commerce, manufacture, craftsmanship, calling profession, vocation, occupation and support service.*

Alors, comme vous voyez il y a une panoplie beaucoup plus élargie d'entreprises sous le *Small Enterprise and Handicraft Development Authority Act* et c'est la raison pour laquelle on a eu beaucoup plus d'enregistrements, M. le président. Alors, il est faux de dire qu'il n'y avait que 429 entreprises à l'époque de l'ancien régime et que maintenant il y en a 11,000. Il y en a 11,000 parce que les définitions avaient changé. Il y en a 11,000 parce que dans la loi il fallait que ces entreprises se fassent enregistrer, M. le président. C'est-à-dire que c'était légal, c'était obligatoire *under the Small Enterprise and Handicraft Development Authority Act, Mr Deputy Speaker, Sir. Later, I'll come to registration of enterprises* et Caravane de l'Entreprenariat. Il

faudrait reconnaître aussi, M. le président, que ce fût l'ancien régime qui créa un ministère responsable pour les petites et moyennes entreprises.

M. le président, le développement des petites et moyennes entreprises est la préoccupation de tous les gouvernements, surtout par ce temps de crise. Combien de fois n'avons nous pas entendu que les PME sont le moteur de notre économie et c'est une réputation bien méritée, M. le président. Mais est-ce qu'on a bien compris la définition d'une petite et moyenne entreprise? Je me demande parce qu'il n'y a pas une définition universelle, mais plusieurs pays définissent les petites et moyennes entreprises en terme de salariés et en terme de chiffres d'affaires. Nous prenons les pays comme La France, les Etats Unis, c'est défini en terme de salariés et en terme de chiffres d'affaires.

Aujourd'hui, nous adoptons une définition qui se concentre seulement sur les chiffres d'affaires. La notion de salarié n'est pas présente dans la définition que nous avons dans cette législation. Or, je suis allé voir un peu quels sont les pays qui définissent les petites et moyennes entreprises en terme de chiffres d'affaires. Par exemple, nous avons la Chine qui définit les PME en terme de chiffres d'affaires seulement. Est-ce que cela poserait problème éventuellement, M. le président ? Je ne sais pas parce que la Chine est un pays en surproduction qui privilégie très souvent la quantité de production aux dépens de la valeur marchande. Est-ce qu'au fil des années cette définition ne va pas nous porter préjudice ? Parce que quand même c'est le salarié qui est le moteur d'une petite ou moyenne entreprise, M. le président. C'est pourquoi je me demande si cette définition de petites et moyennes entreprises est bien cernée parce qu'il faut faire attention.

Nous évoluons dans une situation où nous avons des définitions assez paradoxales concernant les petites et moyennes entreprises dans le sens que, il y a certaines personnes qui vous diront qu'une PME est une entreprise qui est archaïque, cantonnée dans des activités très souvent déclinés, c'est-à-dire, la petite exploitation familiale, le petit commerce où le niveau technologique est relativement très faible, où les patrons de ces PME ont des esprits conservateurs mais nous avons aussi une définition des PME un peu plus moderne où on associe souvent la PME à l'innovation, au dynamisme, au goût du risque. C'est l'image même d'une entreprise *hi-tech*, M. le président. Mais dans n'importe quelle définition, on retrouve cette extrême diversité qui est très importante pour l'existence d'une PME, qui bouge entre ce qu'on appelle une communauté. Très souvent, c'est une communauté de personnes ou très souvent

c'est un individu, M. le président. On vacille aussi entre le modernisme et la tradition. C'est à partir de ces spécificités, M. le président, que je pense que toute stratégie qu'on veut développer pour les PME doit se retrouver. Malheureusement, dans plusieurs pays, M. le président, cette reconnaissance de ces spécificités est absente et je constate que, dans ce projet de loi, il y a aussi certains aspects de cette spécificité qui sont absents.

Je retourne à ce que j'avais dit un peu plus tôt concernant la caravane de l'entrepreneuriat. C'est vrai qu'il faut communiquer. C'est vrai qu'il faut aller vers ces gens-là mais n'empêche que j'ai entendu un peu plus tôt des remarques dans le sens que nous avons enregistré 11,000 entreprises. Je suis d'accord que c'est la façon de procéder, mais il ne faut pas qu'on s'arrête là parce que, M. le président, dans la vie il ne suffit pas de naître, il faut grandir aussi et vivre et épanouir. C'est ce qui est plus important. Or, ce que je constate, M. le président - et j'ai été choqué - ce sont les chiffres du bureau des statistiques de ces deux dernières années sur les arrêts d'activités au niveau des entreprises mauriciennes. Le pourcentage de ces arrêts d'activités, M. le président, est choquant. *It is about evolution of licences.* Par exemple, si je prend de juillet 2006 à juin 2007 pour tout ce qui concerne *mining, quarrying, manufacturing, electricity, construction, wholesale and retail trade, repair of motor vehicles, hotels and restaurants, transport, storage and communication, financial intermediation, real state, education, health, social work, on 9,141 licences issued, we have had 4,654 licences cancelled which represent 50%, Mr Deputy Speaker, Sir. For the year July 2007 to June 2008, on 9,150 licences issued, we have had 3,741 cancelled which amounts to some 40%. These are the figures, Mr Deputy Speaker, Sir. that is why earlier I stated that il ne suffit pas de naître, il faut grandir. We have to look after those whom we have asked to come forward to set up an enterprise so that along the way we are by their side, Mr Deputy Speaker, Sir.*

C'est là que j'arrive à ce concept, M. le président. Trop souvent dans notre pays, tout le monde veut prendre la défense des petites et moyennes entreprises. Autrefois, j'avais dit un peu plus tôt, ils étaient ignorés et aujourd'hui ils sont à l'avant-plan de nos préoccupations et c'est bien. Dans un passé pas trop lointain, c'était les grosses entreprises et je me demande si nous ne sommes pas restés un peu emprisonnés dans le passé parce que, allons dire qu'à Maurice aujourd'hui le secteur privé se compose majoritairement de grandes entreprises. Dans notre esprit, M. le président, je dois le dire, c'est un combat inégal. C'est un peu le pot de terre contre le pot de fer. C'est un peu un combat comme David contre Goliath, M. le président. Est-ce que,

en donnant les moyens nécessaires à ces petites et moyennes entreprises, nous les donnons la chance d'évoluer dans la cour des grands, M. le président. Or tel n'est pas le cas jusqu'à maintenant. Très peu - allons le reconnaître - M. le président, réussisse à évoluer dans la cour des grands. Je disais un peu plus tôt, M. le président, qu'il faut reconnaître cette spécificité des petites et moyennes entreprises et c'est à partir de là qu'on pourra définir toute la stratégie pour ces PME. Par exemple, M. le président, la gestion quotidienne d'une PME prend souvent des allures de situation de crise ou d'état d'urgence. Dans de telles situations, en période de crise, une grosse entreprise fait appel à son conseil d'administration. La question qu'on doit se poser : la petite et moyenne entreprise fait appel à qui, surtout en ces temps de crise où il y a eu le *Additional Stimulus Package*, où il a eu un encadrement des entreprises ? Est-ce que ça a été la même chose pour les petites et moyennes entreprises ? Or, quand je regarde la déclaration du président de la fédération des petites et moyennes entreprises à une question qu'on lui a posé, aucune PME n'a bénéficié du *stimulus package*.

*(Interruptions)*

C'est ce qu'il a répondu. Dans ce cas, comme je dis, la grosse entreprise a tout l'arsenal nécessaire dans un cas de crise. Par contre, la petite et moyenne entreprise n'a pas cet arsenal. A ce moment là, le propriétaire n'a d'autre choix que de faire appel à son banquier et je pense que pas mal d'orateurs avant moi l'ont dit: est-ce qu'il ne faudrait pas revoir la banque de développement ? Est-ce qu'il ne faudrait pas envisager une banque spéciale, une banque dédiée aux petites et moyennes entreprises ? Est-ce qu'il n'est pas temps de le faire? Est-ce qu'il ne faudrait pas une banque de proximité pour ces petites et moyennes entreprises? M. le président, une PME est très souvent une affaire de famille et c'est très souvent le chef de la famille qui en est le dirigeant ou le propriétaire, ce qui veut dire que le capital est concentré entre ses mains. L'accès au capital reste toujours un problème majeur pour l'épanouissement des petites et moyennes entreprises. J'avais fait une remarque il y a quelque temps de cela. Quand on dit que c'est une entité familiale, la question qu'on se pose c'est qu'il y a des facilités qu'on donne à ces entreprises, il y a des facilités qui fonctionnent, mais il y a des facilités qui ne fonctionnent pas.

Je prends l'exemple du *quasi-equity loan* au niveau de la DBM. Je pense que c'est quelque chose qui ne marche pas, parce que si c'est une entreprise familiale, le chef de l'entreprise ne veut pas d'un partenaire étranger, surtout il ne veut pas que l'Etat soit son partenaire, il se méfie de l'Etat. Il a le sentiment, M. le président, qu'on veut étatiser son

entreprise. C'est pourquoi je pose la question. J'ai eu les chiffres, M. le président, du *annual report* de la DBM qui vient dire qu'avec la présentation de *quasi-equity financing scheme*, il y a eu que 115 projets qui ont été financés au taux de R 30 millions. Je pense qu'il y a une réticence au niveau de ces *schemes*, M. le président.

Le capital d'une PME est un capital de proximité et le financement d'une PME se retrouve dans d'une logique de proximité. Il préfère très souvent l'autofinancement ou bien des fonds venant principalement de la famille. Très souvent, il va emprunter à un parent ou à un membre de sa famille. L'ultime recours c'est le banquier et il veut que ce soit un banquier qui soit proche de lui. C'est pourquoi j'ai évoqué cette notion de proximité et c'est pourquoi j'ai évoqué cette notion de revoir les objectifs de la DBM. J'ai demandé s'il n'était pas temps de penser à une banque dédiée spécialement pour les petites et moyennes entreprises.

M. le président, je vais prendre un autre aspect de ce projet de loi qui touche à la globalisation. J'avais dit, un peu plus tôt, qu'une petite et moyenne entreprise a sa spécificité. Dans le monde d'aujourd'hui, on ne peut pas faire autrement. Mais la question qu'on doit se poser, en voulant pousser la PME vers la globalisation, est-ce qu'on n'est pas, en fin de compte, en train de dénaturer une PME ? Je m'explique, M. le président ! Quelque part dans ce concept de globalisation, la PME perd cet aspect de proximité. Elle doit s'adapter à de nouvelles techniques de *management*, comme on le dit ; elle doit s'adapter à l'échange de données informatisées, à la production juste à temps, à la normalisation Iso, à la multiplication des alliances stratégiques, à l'insertion dans des réseaux d'affaires internationaux, à l'accès au marché du capital à risque. J'en passe ! Mais, en ce faisant, M. le président, est-ce qu'on n'est pas en train de dire à ces petites et moyennes entreprises d'emboîter le pas des grosses entreprises ? A un certain moment, comment on va différencier les petites et moyennes entreprises avec les grosses entreprises si on est en train de demander aux petites et moyennes entreprises d'emboîter le pas des grosses entreprises ? J'avais fait un réflexion un peu plus tôt en comparant une petite et moyenne entreprise à David et une grosse entreprise à Goliath. Est-ce qu'on n'est pas en train de dire à Goliath d'aller vaincre David ? Est-ce qu'on n'est en train de tuer les petites et moyennes entreprises en leur disant d'emboîter tout ce qui touche aux grosses entreprises, leur façon de fonctionner, leur façon de faire, la hiérarchie qui existe ? Par exemple, M. le président, le directeur général d'une grosse entreprise se trouve au dernier étage de son *building*. Par contre, concernant la petite entreprise, le patron se trouve avec les salariés. Alors,

est-ce qu'on n'est pas en train de dire à une petite et moyenne entreprise de fonctionner comme une grosse entreprise ? Mais, quelque part, M. le président, je suis d'accord dans le sens...

*(Interruptions)*

C'est ça le débat ! Parce que quelque part il faut pouvoir valoriser ces entreprises. Un moyen de valoriser ces entreprises c'est avec les techniques modernes qui existent et que j'ai citées un peu plus tôt. Mais il faut, en leur laissant adopter ces techniques modernes de *management*, leur laisser garder les spécificités qu'ils ont acquis au fil des années, parce que c'est là l'existence de ces petites et moyennes entreprises. Quelque part la valorisation du travail humain doit primer au niveau des petites et moyennes entreprises, parce qu'en terme d'équipement, très souvent nous n'en avons pas beaucoup et c'est beaucoup plus le salarié qui fait le gros du travail. Alors, cette valorisation du salarié, cette valorisation du personnel doit rester.

Je vais terminer, M. le président, sur ce qui a été dit par les autres orateurs. Allons l'accepter, au niveau des infrastructures nécessaires à l'épanouissement des petites et moyennes entreprises. L'actuel gouvernement a failli pour les *industrial parks*, pour les *tourist villages*. Ils avaient promis monts et merveilles. Quatre ans on n'en a pas vu, M. le président ! D'autant plus que le ministre, dans sa présentation en deuxième lecture de ce projet de loi, accepte *that we have to revamp the shops that belong to SEHDA*. Il y a que celles qui se trouvent à l'aéroport qui fonctionnent. Les autres fonctionnent mais à perte. Alors, il faut que le gouvernement puisse voir cela de plus près, parce que ce sont des outils importants pour les petites et moyennes entreprises et que le gouvernement fasse fonctionner ces boutiques pour les touristes ou pour les mauriciens.

M. le président, je pense que j'ai tout dit sur ce projet de loi. Je souhaite bon vent au gouvernement en ce qu'il s'agit des petites et moyennes entreprises. Mais je voudrais que quelque part, si le gouvernement est en train de dire *that they are doing everything for the small and medium enterprises in this country*, que les associations respectives parlent sur la même longueur d'onde.

Merci, M. le président.

**Mr Gowressoo:** Mr Deputy Speaker, Sir, allow me to thank hon. Members from both sides of the House who have participated in the debates of the Small and Medium Enterprises Development Authority (SMEDA) Bill.

As far as I have noted there is consensus on the main provisions of the Bill. Mr Deputy Speaker, Sir, we have achieved what was entrusted to us in the 2005-2010 Government Programme and I am fully confident that this Bill will strengthen further the development of SMEs in Mauritius.

Our SMEs now feel that they will be better supported. They are more confident and more encouragement will be provided to them. It will be easier for new-comers to start a business; for micro and small enterprises to grow into medium ones and for medium enterprises to become bigger.

Mr Deputy Speaker, Sir, I have listened carefully to the hon. Members of the Opposition parties and I am not surprised at all with their comments as they are always negative in their approach. The remarks made by the hon. Leader of the Opposition that SMEs have been neglected and "*laissés pour-compte*" are totally unfounded. Again, the same rhetoric and the usual remarks, since July 2005, from the hon. Leader of Opposition, such as '*effets d'annonce, échec total, aveu d'échec*'.

Mr Deputy Speaker Sir, let me reply to the arguments raised by the hon. Leader of the Opposition. Firstly, the SMEDA Bill is not only a change in appellation. This is totally unfounded, Mr Deputy Speaker Sir. The present Bill defines in bold terms a small and a medium enterprise. It also caters for medium enterprises with a turnover of up to Rs50 m., while the SEHDA Act caters only for small firms with a turnover of less than Rs10 m. and employing less than ten workers. Enterprises with ten persons or more are like orphans, as they cannot register themselves anywhere.

Secondly, Mr Deputy Speaker, Sir, the new SMEDA Board has a wider composition. The new Bill encompasses new stakeholders, such as representatives from the Ministries of Youth and Sports, Environment and National Development Unit, Business, Enterprise and Cooperatives and impaired associations. As regards the non-representation of Enterprise Mauritius on the Board, this is catered for through the parent Ministry of Industry.

Mr Deputy Speaker, Sir, it is also totally wrong to say that the representative of the SME Federation is not included in the composition of the Board. The Bill provides for a representative of SMEs, which does not preclude Small and Medium Enterprises Federation from having their representatives.

Coming to incubators currently housed at SEHDA Incubator Centre, the good news, Mr Deputy Speaker Sir, is that they are moving to the new industrial sites at Terre Rouge and La Tour Koenig following their 2-year incubation period. There are 14 units at Phoenix, 20 units at Terre Rouge, and 20 units at La Tour Koenig.

As for the tourist villages, the Mahebourg tourist village will be operational by the end of November of this year. The tourist village at Belle Mare will come into operation by April 2010.

Mr Deputy Speaker, Sir, I would like to make a flashback to remind the House of the state of SMEs when the previous regime was in power. SMEs were in a chaotic state. Nobody cared about their difficulties, and prospects were bleak. They were unattached to the core of the economy, and were considered as insignificant. SMEs were seen as poor and unlikely to grow. All support schemes and policies were in favour of large enterprises at the detriment of SMEs. Their contribution to Gross Domestic Product was negligible and export was quasi-inexistent.

The hon. Leader of the Opposition has rightly pointed out that ICT is included in the Bill in any activity approved by the new Authority, Mr Deputy Speaker, Sir.

Mr Deputy Speaker, Sir, I would like to reply to some points raised by hon. Jugnauth. He said to the House that, when he was Minister of Finance, there was proper access to finance for SMEs, that is, interest was brought to 6%, SME Loan Guarantee Scheme for incubators and handicraft centres at Paillotte. Concerning loan for SMEs, he took the example of fishermen at 3%, and cake sellers who paid their permit of Rs200. Permit for hairdresser was increased. Mr Deputy Speaker, Sir, in spite of all the measures he had taken when he was Minister of Finance, only 428 enterprises were registered from 2000 to 2005. He said that there were about 2,000 registered enterprises, but this was before 2000. Only 428 enterprises were registered from 2000 to 2005. When the Minister of Finance of this Government introduced the Business Facilitation Act, the number of registrations came to 11,437. If we deduct 2,500, we are left with more than 8,600. During our mandate, during these four and a half years, Mr Deputy Speaker, Sir, the



number of registrations increased to more than 8,600. We can say that we have given proper impetus to these SMEs to be registered.

Mr Deputy Speaker, Sir, hon. Pravind Jugnauth raised the issue of tourist village. As I said earlier, the tourist village at Mahebourg will be operational soon. He said that most of the small businesses that existed before 2005 have stopped operating since we are in power. This is completely wrong. If these small businesses have closed down, how is it that Mauritius has become No. 1 in Africa and ranked No. 17 in the world in ease of doing business?

Hon. Pravind Jugnauth raised the point on the MASMED Fund. The Technology Division Scheme is a scheme being implemented by Small Enterprises and Handicraft Development Authority under the Manufacturing Adjustment and SME Development Fund.

The scheme provides a matching grant to the limit of 75% from the Government and 25% from the SMEs. Our project cost, up to a ceiling of Rs500,000 to support SMEs in the acquisition of technology. An amount of Rs40 m. has been earmarked for the scheme. The eligibility criteria for the technology division scheme are as follows -

- (i) Manufacturing enterprises with an annual turnover not exceeding Rs15 m. Enterprises in operation for at least one year.
- (ii) There have been 85 applications, out of which 37 were found to be eligible. As at date, 21 applications have been approved for a total amount of Rs8,811,924.
- (iii) The amount disbursed so far is Rs4.8 m. in favour of the 13 SMEs.
- (iv) The remaining amount of some Rs4.10 m. will be disbursed to the other eight companies as and when they submit the required documents to SEHDA.
- (v) The remaining 16 applications are currently being processed at the level of SEHDA.
- (vi) About Rs6.5 m. are expected to be approved and disbursed shortly.

Mr Deputy Speaker, Sir, many enterprises have benefited from grants under the MASMED Fund to acquire new technologies, visit and participating in foreign trade fairs, including technologies fairs, barcode, their products, send their sample abroad, upgrade their packaging and labelling.

Mr Deputy Speaker, Sir, it would have been a great national tragedy if this Government had not placed the development of SMEs as its number one priority when we assumed power in July 2005. To revitalise the ailing SMEs, a host of financial and non-financial measures were introduced. The effects were immediate. The economic landscape changed completely and a resurrection took place. Let me give facts and figures to illustrate this situation, Mr Deputy Speaker, Sir. SMEs contribution to Gross Domestic Product rose by 9% to reach around 22% in 2008. Total employment skyrocketed to reach around 213,825. Value addition nearly doubled and stood at the Rs43 billion. Gross output registered a staggering three-fold increase to reach around Rs75 billion. SMEs registered with SEHDA witnessed a spectacular increase of 25 times from a low of 428 during the period 2000-2005 to reach about 11,327 in October 2009.

Mr Deputy Speaker, Sir, this performance, however, should in no account encourage self-complacency. The time is not for self-satisfaction, but for greater effort, dedication and hard work. That is why we have come up with this new SMEDA Bill which has been prepared in consultations with all stakeholders, including the SME federation. All their concerns and needs have been discussed and addressed carefully. Our only priority is to support the development of SMEs and increase their role and its scope in national development.

The new SMEDA Bill has taken on board the medium enterprises which has previously left “outside the fence”. The injustice caused to them during the past five years through ‘exclusion’ is therefore being remedied. This new Bill puts all SMEs at parity and provides a new thrust for them to scale up their sizes.

Mr Deputy Speaker, Sir, the new SMEDA Bill does not only give greater recognition and impetus to the role of SMEs in economic development, but above all, shows Government commitment towards a greater democratisation of the economy with total empowerment and a higher degree of personal entrepreneurship and initiatives. The host of business development services in the Bill will, no doubt, expand the scope for development of SMEs and help to create new job opportunities so crucial for the country.

Mr Deputy Speaker, Sir, our track record for the promotion of SMEs speaks for itself. Today, we can proudly say that *Gouvernement l'Alliance Sociale* is a party of the SMEs. Nowadays, everybody talks of SMEs all around the island. Success stories are regularly portrayed in the press and media. If today, we have been able to create this new wave of SMEs

and elevate them to this level, this is primarily due to our vision and our constant effort to promote and nurture them.

Mr Deputy Speaker, Sir, Members of the Opposition as well as my friend, the president of Small and Medium Enterprises Federation, have wrongly averred that the measures introduced in the 2009 Budget have not yet been beneficial to SMEs. I wish to inform the House that all the schemes introduced in the Budget 2009 to alleviate the sufferings of SMEs due to the global economic meltdown are well operational. SMEs are benefitting from these schemes. Let me put things in the right perspective as regards the Mechanism for Traditional Support to Private Sector: 20 SMEs have already sought financial assistance.

Rescheduling of debts: debts of some 265 SMEs have been rescheduled. Micro-Financing Scheme for Women: 80 women entrepreneurs have already obtained loans from the Mauritius Post and Cooperative Banks.

**The Deputy Speaker:** Hon. Minister, this is a summing-up speech.

**Mr Gowressoo:** Mr Deputy Speaker, Sir, these points were raised by the other side of the House. Mentoring services are currently being offered to about 50 SMEs. Renovation Scheme for Small Hotels and Restaurants: 50 small hotels and restaurants are being assisted. Leasing Equipment Modernisation Schemes: a sum of Rs125 m. has already been disbursed. Export Credit Insurance Scheme: the scheme will be operational at the end of November 2009.

Mr Deputy Speaker, Sir, this Government is committed to support the potential of SMEs to expand and grow. We have already created the right environment and we will continue on this path to further assist our SMEs. All the measures and support programmes we have put in place have enabled them to navigate smoothly through the rough seas of the global economic crisis. We are not going to stop here, Mr Deputy Speaker, Sir, we will intensify our efforts and continue our programmes which have proved to be very successful until now. These are –

- The *Caravanne de l'Entrepreneuriat* which will be intensified.
- Sectoral regional fairs and National SME Fair will be held on a more regular basis.
- Training courses in traditional sectors such as curtain making, fashion and design, basketry amongst others will be strengthened and continued.
- Participation in technology based fairs will be on-going.
- Re-engineering of the Handicraft outlets will be continued and new boutiques will be opened.

- Intervention in enterprises through visits and counseling will be further intensified.
- Free courses on import and export procedures to entrepreneurs will be continued.
- Free driving courses to women entrepreneurs will be ongoing.
- Free business plan for SMEs at the SEHDA.

Besides, the Ministry will continue to act as a facilitator with institutions like AREU, IVTB, Enterprise Mauritius, NICE, HRDC amongst others to assist potential entrepreneurs.

Mr Deputy Speaker, Sir, I am also pleased to inform the House that we are coming up with other new measures to accelerate the growth momentum of SMEs. Some of these are -

- The Mauritius Business Growth Scheme;
- Creation of a Genuine Mauritian Label for Handicraft Products;
- National Award Competition for SMEs, and
- Technology Based Incubators.

Mr Deputy Speaker, Sir, this Bill comes at an opportune time when Governments worldwide are laying much emphasis on the development of SMEs as being the only answer for the creation of wealth, fight against poverty and improving the lots of the people. Mr Deputy Speaker, Sir, leaders like President Barrack Obama of USA, President Nicholas Sarkozy of France and the Prime Minister Manmohan Singh of India amongst others are banking much on the development of SMEs for creating employment opportunities and sustaining their economic growth. We should not lag behind particularly being a small and vulnerable economy. The SMEDA Bill, Mr Deputy Speaker, Sir, is geared towards the same direction with clear cut defined objectives to help us attain our vision of making Mauritius a better and more prosperous place to live.

Mr Deputy Speaker, Sir, as the House is aware, Mauritius ranks 1<sup>st</sup> in Africa in the Ease of Doing Business and 17<sup>th</sup> in the world. Just yesterday, we have been awarded “*La meilleure île touristique au monde*”, thanks to the contribution of SMEs, Mr Deputy Speaker, Sir. We succeeded in inscribing 2 of our sites as World Heritage Sites namely Aapravasi Ghat and Le

Morne. Mr Deputy Speaker, Sir, all these achievements did not fall from the sky. We have toiled hard to earn these distinctions.

Mr Deputy Speaker, Sir, I believe in hard work and I am result-oriented. My Ministry has just been awarded the Top Performer in the entire Civil Service.

Mr Deputy Speaker, Sir, we are the devotees of “*résultats lor résultats*” and I am confident, as always, that we will, through this Bill, succeed in making Mauritius an entrepreneur island.

Let me again, Mr Deputy Speaker, Sir, thank the hon. Prime Minister for his trust and all the hon. Members who have taken part in the debates. Allow me, Mr Deputy Speaker, Sir, to say to all entrepreneurs that the future is now and as Mahatma Gandhi rightly said “the future depends on what you do today”.

Thank you, Mr Deputy Speaker, Sir.

*Question put and agreed to.*

*Bill read a second time and committed.*

### **COMMITTEE STAGE**

*(The Deputy Speaker in the Chair)*

*The Small and Medium Enterprises Development Authority Bill (No. XVII of 2009) was considered and agreed to.*

*On the Assembly resuming with the Deputy Speaker in the Chair, the Deputy Speaker reported accordingly.*

#### *Third Reading*

*On motion made and seconded, the Small and Medium Enterprises Development Authority Bill (No. XVII of 2009) was read the third time and passed.*

(9.58 p.m.)

#### *Second Reading*

### **THE TRADE (ANTI-DUMPING AND COUNTERVAILING MEASURES BILL)**

**(No. XVIII of 2009)**

**The Minister of Foreign Affairs, Regional Integration and International Trade (Dr. A. Boolell):** Mr Deputy Speaker, Sir, I do not intend to move the Second Reading of the Trade (Anti-Dumping and Countervailing Measures Bill) (No. XVIII of 2009) today.

**ADJOURNMENT**

**The Deputy Prime Minister:** Mr Deputy Speaker, Sir, I beg to move that this Assembly do now adjourn to Wednesday 18 November 2009 at 4.30 p.m.

**Dr. Sithanen rose and seconded.**

*Question put and agreed to.*

**The Deputy Speaker:** The House stands adjourned.

**MATTERS RAISED ON ADJOURNMENT****LA FERME, BAMBOUS - SQUATTERS**

**Mr A. Ganoo (First Member for Savanne & Black River):** Mr Deputy Speaker, Sir, I thank you for having given me the opportunity to raise a matter at Adjournment time. In fact, I would like to raise two issues. The first one concerns the hon. Minister of Housing and Lands.

Mr Deputy Speaker, Sir, close to the reservoir of La Ferme at Bambous or shall I say on the fringe of this reservoir, live about 70 families who have been squatting on State land for a long time. These squatters live in structures made up of corrugated iron sheets and wood and needless to tell you in what insalubrious environment or difficult conditions do they have to spend their days and nights. When it rains, most of these houses leak and during summer the situation is equally hell for them. The access roads are not tarred and there is hardly any street lighting.

These squatters, unlike thousands of them who live in the region or all over the country, were regularised in the past, but, unfortunately, in the case of the squatters of La Ferme, it was not possible to carry out any regularisation exercise because of their proximity to La Ferme reservoir.

The technicians of the relevant Ministries at the material time did not give the clearance because of their closeness and their proximity to this reservoir. Fortunately, they were provided with water and electricity at some point in time, but the plea I am making to the hon. Minister today on behalf of these squatters is to give these squatters priority to enable them to acquire the new houses which, I understand, are available at *La Valette* or under construction. These squatters live about 1 km away from the housing project at *La Valette* and my plea is, since they live around, the hon. Minister or Government could use their good offices to give these squatters priority and offer them the possibility of acquiring these units at *La Valette*. They are certainly deserving cases and it will mean also less hassle and less disturbance for everybody since all their children go to the primary schools at *Bambous* and, most probably, all these squatters work in the vicinity of the region. I am sure the hon. Minister who is a compassionate person will lend a sympathetic ear and entertain my request and will give a helping hand to lift these poor people who are our fellow citizens out of the trap they are.

Thank you, Mr Deputy Speaker, Sir.

#### **LE MORNE VILLAGE – SECURITY OF INHABITANTS**

Sir, may I intervene very shortly on an issue concerning the Minister of Public Infrastructure, hon. Bachoo. I am sure he has received a petition concerning the security of the inhabitants of *Le Morne village*.

Mr Deputy Speaker, Sir, a few weeks ago a kid, a child of tender age was fatally knocked down by a car travelling along the main Road at *Le Morne village*. In this village, when one drives through the village towards the south in the direction of *Baie du cap*, all the houses are on the left and the public beach in on the right. Many of these houses which are *cit * houses are very close to the main road. The volume of traffic has considerably increased along that road in the past; new hotels at *Bel Ombre*, new touristic development in the region, IRS and so on. As a result of that accident, the inhabitants have organised themselves and a committee has been set up to address this very serious problem. There is a primary school, a church along the main road not to mention the other commercial outlets. So, there is an urgent need of humps, traffic lights, more pedestrian crossing, raising the pavements since the road has been recently tarred and is now at the same level as the pavements, hand rails on the side where these houses are located.

So, I appeal to the hon. Minister, in case he has received a letter or a petition from the *Forces Vives* of the inhabitants of the region, to look into that problem. May I appeal to him to

organise a visit in the region with his officers, experts and the MPs of the locality and the *Forces Vives* of the region so that we may address the problem before other tragedies take place.

Thank you, Mr Deputy Speaker, Sir.

**The Minister of Housing & Lands (Dr. A. Kasenally):** Mr Deputy Speaker, Sir, the squatters on the verge of La Ferme, pose a very serious problem. In fact, when I was Minister of Public Utilities, I inspected it and they are threatening the very structure of La Ferme reservoir, they have taken flip stone, they have started digging on the wall and I am very much concerned that the dam will one day give way. In that connection, my Ministry has tried to identify alternative sites which have already been, as a matter of fact, and we have served them notice to move. Indeed, there may be some who are living in poor conditions, but not all of them, because I have seen new ports for cars and also satellite dish. And I think those who deserve it are in the process of being considered. They have been given notice to move to new sites, but they are reluctant. I think we are determined to get them out for their own safety and for the safety of the dam. As far as alternative accommodations which are in the vicinity are concerned, it is not under my Ministry, but it falls under the Empowerment Programme. If they apply to the Empowerment Programme and they fulfil the criteria, I think they may feel very considered.

**The Minister of Public Infrastructure, Land Transport & Shipping (Mr A. Bachoo):** Mr Deputy Speaker, Sir, I have taken serious note of the concern expressed by my hon. friend. I would do the needful.

#### **RIPAILLES & NOUVELLE DECOUVERTE – SPORT FACILITIES**

**Mr S. Dayal (Second member for Quartier Militaire and Moka):** Mr Deputy Speaker, Sir, the point I'm going to raise concerns the Minister of Local Government. It concerns a portion of land at Nouvelle Découverte of an extent of *trois arpents cinquante* being part of a State land which has been vested in the Ministry of Local Government for the construction of a volleyball pitch, a football ground and a children's playground.



I should like to impress upon the hon. Minister to give this project his attention as the regions of Ripailles and Nouvelle Découverte have no such sport facilities as my colleagues and myself have received a lot of representations regarding this issue.

### **MOKA/QUARTIER MILITAIRE – WATER SUPPLY**

The second point I'm going to raise concerns the erratic and irregular supply of water throughout the whole of Constituency No. 8 Moka/Quatier Militaire. I understand that the pipe made of asbestos, which is very old, bursts out every now and then. A survey has been carried out whereby this pipe has to be replaced by trunk main from Camp Fouquereaux to Alma and this will cost some Rs175 m. and the capacity of water for the reservoir at Alma is very low. It is some 500 m<sup>3</sup>, it needs to be tripled. So, there is a need for construction of a new reservoir at Alma which distributes water to Alma hill and distributes to L'Avenir, St Pierre and the whole region of St Pierre. This will cost some Rs20 m. and this causes lots of hardship. Every other day we receive a lot of representations regarding the erratic and irregular supply. Therefore, my plea to the hon. Deputy Prime Minister who is next to the Minister of Finance and as Budget time is in the pipeline, this could be given his urgent attention.

Thank you, Mr Deputy Speaker, Sir.

**The Deputy Prime Minister:** Mr Deputy Speaker Sir, I have taken good note of what has been said. It is in the process and will be attended to.

**The Minister of Local Government, Rodrigues and Outer Islands (Dr. J.B David):** Mr Deputy Speaker, Sir, I have taken note of what the hon. Member has mentioned. In fact, there is a letter dated 2003 for that plot of land which remains dormant and unattended. I will contact the District Council of Moka/Flacq.

### **CUREPIPE – POLICE STATION – TELEPHONE LINES**

**Mrs M. Martin (Second Member for Curepipe & Midlands) :** Merci M. le président, mon intervention est adressée au Premier ministre. Je suis sûre qu'il m'écoute de là où il est. Cela concerne le poste de police de Curepipe plus précisément les lignes téléphoniques de la station qui ne marchent pas comme il le faudrait.

Normalement, trois lignes sont disponibles mais à hier une ne marchait pas et il m'a été rapportée que les deux autres ont des problèmes, c'est-à-dire, que parfois quand un interlocuteur

obtient la ligne, il ne peut converser avec l'officier de police que quelques secondes et après la conversation s'interrompt parce qu'il y a des problèmes sur la ligne. Ce qui engendre bien sûr des frustrations et parfois même provoque la colère des personnes qui utilisent ce service. Je crois savoir M. le président que ces anomalies ont été signalées à la compagnie téléphonique mais comme elles perdurent je demanderais au Premier ministre de voir avec les autorités compétentes comment on peut y remédier au plus vite, compte tenu, bien sûr du caractère stratégique et essentiel du service qui sont les services des postes de police. Merci.

**The Deputy Speaker:** Someone will convey the message surely.

**The Deputy Prime Minister:** I will transmit this request to the competent authority.

### **COURT HOUSE – ELEVATORS**

**Mrs F. Jeewa-Daureeawoo (Third Member for Stanley & Rose Hill):** Mr Deputy Speaker Sir, very briefly, I will raise an important issue. It concerns the bad conditions of the two elevators found in the new courthouse in Port-Louis some metres from this august Assembly. As you know, the building is composed of five floors and all the floors are occupied by Courts, the District Courts, the Intermediate Court and the Family Court which has been transferred recently. So, there is breakdown of one of the elevator as a result of which the public has to queue up before the other elevator and this causes a lot of inconvenience to those who have to attend court in time.

The second point is that very often the public got stuck in the lift. They have to wait for the technicians to come to their rescue and this also causes a lot of hardship to the public. Therefore I will urge the authorities concerned to look into the matter for immediate remedies. May I suggest two things. The first one is that there is space for a third elevator. Why not install a third elevator? , the more so as the space is already there. I think we can look for the installation of a third elevator and also I think it is high time to have someone in the elevator for public safety and security. Thank you.

**The Deputy Prime Minister:** I will transmit to the Prime Minister's Office. Thank you.

### **MUSLIM RELIGIOUS LAW**

**Dr. A. Husnoo (Second Member for Port Louis Maritime and Port Louis East):** Mr Deputy Speaker, Sir, I am going to talk about a subject which has been causing a lot of hardship

and injustice for the last 20 years or so. In 1982 the Civil Status Act was amended and the Muslim Religious marriage, the Nikkah, was recognised and was made to have civil effect. This recognises the rights of all the couples married under the Muslim Religious Law, including the entitlement for a widow's pension. Unfortunately, in 1987, this section of the civil status law was purely and simply repealed. In 1990, the law was once again amended and the Muslim religious marriage was again recognised by the law under the Civil Status Act. We have a problem for those who were religiously married between 1987 and 1990. Those who were married between 1982 and 1987 and after 1990 under the Muslim Religious Law benefit from their different rights, including the widows pension but, unfortunately, this is not the case for those who are married under the Muslim Religious Law between 1987 and 1990. This is a real prejudice and injustice which has been caused to those who were married between 1987 and 1990. Only last week, Mr Deputy Speaker, Sir, a lady came to see me. Her husband has passed away, she has three children, but she is not entitled to a widow's pension as she got married between 1987 and 1990 under the Muslim Religious Law. She is getting some social aid, but she is not entitled to a widow's pension. That is why I would make an appeal to the Prime Minister to look into the matter and to ask the State Law Office to remedy the situation and, if necessary, by amending the law. Thank you, Mr Deputy Speaker Sir

**The Deputy Prime Minister:** Mr Deputy Speaker, Sir, I thank the hon. Member for bringing attention to this problem and I will certainly pass it on to the Prime Minister.

#### **MR CLIFFORD ESTHER - COMPENSATION**

**Mrs A. Navarre-Marie (First Member for GRNW & Port-Louis West):** Mr Deputy Speaker, Sir, On 11 December 2007, I put a question to the Prime Minister regarding Mr Clifford Esther who had been shot by the police at La Preneuse in 1982. Mr Esther presently lives at *Pointe aux Sables* in very abject conditions and I made an appeal that some sort of compensation be awarded to him. In fact, he has lost his eyesight and is physically handicapped.

The Ag. Prime Minister informed the House that the legal adviser of Mr Esther had sent a letter to the Attorney General and the letter was being studied. He also added that if what was being said was correct, I quote: 'I think there should be something done for this family'. But up to now, Mr Clifford Esther had not received a single cent. I am once again making an appeal to the Government to cast a sympathetic eye on this case.

Thank you, Mr Deputy Speaker Sir.

**The Attorney General (Mr J. Valayden):** Mr Deputy Speaker, Sir, not only a sympathetic eye, but a sympathetic ear. We have been discussing with his barrister about four weeks ago. It is a question of quantum. Soon we will answer his bar at law.

### QUATRE BORNES – DRAINS - CONSTRUCTION

**Ms K. R. Deerpalsing (Third Member for Belle Rose & Quatre Bornes):** Thank you, Mr Deputy Speaker, Sir, since I am the last one, I would be very brief. I would like to raise an issue concerning my constituency in terms of the torrential rain that happened just about a week ago, and I don't know which Ministry would fall under, whether it would be the Ministry of Public Infrastructure, the Ministry of Local Government or the NDU. All three probably with some help from my good friend, the hon. Minister of Finance. The problem is that a week ago, there was torrential rain on Saturday. Actually the next day we could see on the *Méteo* that Quatre Bornes had the highest *pluviométrie*. On Avenue Hillcrest all the water comes down and there is a low point near Avenue Cardinal and what happened was that all the water got stuck there and got into all the homes along Cardinal Avenue. All the homes were flooded with this height of water. The next day I was there and saw it with my own eyes. The water was still there on Sunday morning and they said to me that a long time ago there was a project and this is a large-scale project. This is a *projet d'envergure* for drains to be constructed from Candos all the way down to Hillcrest so that the water would be swept away and not collected in the low point and get into people's home. I would like to make an appeal, I think, it is probably the Ministry of public infrastructure. Since we know that the Budget is coming, hopefully we can earmark some money for that and so that the inhabitants of that region can be relieved of that problem, which have been there for years and years. Thank you, Mr Deputy Speaker Sir.

**The Minister of Public Infrastructure, Land Transport and Shipping (Mr A. Bachoo):** If funds are available, definitely, we will do the needful.

*At 10.21 p.m. the Assembly was, on its rising, adjourned to Wednesday 18 November 2009 at 4.30 p.m.*

### WRITTEN ANSWERS TO QUESTIONS

### **FLORÉAL - POLICE STATION - CONSTRUCTION**

**(No. B/1100) Mrs F. Labelle (Third Member for Vacoas & Floreal)** asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the project for the construction of a new Police Station in Floréal, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to where matters stand.

**Reply:** Further to my reply to Parliamentary question B/1196 from the hon. Member at the sitting of 11 November 2008, I am informed by the Commissioner of Police that land has already been vested for the construction of a new building to accommodate the existing Police Station at Floreal.

The Commissioner of Police has assured me that the existing Police Station, despite the relative smallness of the area it occupies, is adequately covering the policing requirements in that area.

I am also informed by the Commissioner of Police that, in line with its infrastructure development strategy, the Police has already initiated 11 projects concerning the construction and renovation of Police Stations around the island. These projects are at different stages of implementation and are scheduled to be completed by 2010/2011.

### **GRAND' BAIE – MISS L. B. M. – ALLEGED CASE OF RAPE**

**(No. B/1101) Mr N. Bodha (First Member for Vacoas & Floreal)** asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the alleged case of rape of a girl of 17 years old in 2007 at Grand' Baie whereby an accused was charged to have committed the alleged offence whilst the alleged serial rapist P. A. has now confessed to have committed the rape he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if a new inquiry will be carried out.

**Reply:** I am informed by the Commissioner of Police that on 05 August 2007, an alleged case of rape was reported by a young girl, L.B.M, at Grand' Baie Police Station. Police initiated an enquiry into the case.

On 01 June 2008, she gave a statement to the Police regarding the identity of the person who raped her. During the course of the enquiry, she identified one N.G. of Upper Vale as the person who raped her. The accused was arrested on 17 June and released on bail on 24 June 2008.

On 04 February 2009, following advice from the Director of Public Prosecutions, the case was referred for prosecution against N.G. for rape in breach of section 249(1) of the Criminal Code.

However, on 15 October 2009, one P.A. who was arrested in connection with several cases of rape, confessed having raped the same L.B.M. on 05 August 2007 at Grand'Baie. He has been positively identified by the victim who also added that the previous identification of N.G. was a mistake. Police has already started necessary action to prosecute P.A.

The case against N.G. was dismissed in the Intermediate Court yesterday.

#### **LA LOUISE POLICE STATION – STATEMENT – 01 OCTOBER 2009**

**(No. B/1102) Mrs Dookun-Luchoomun (Third Member for La Caverne and Phoenix)** 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 a Police Officer of the La Louise, Quatre Bornes Police Station has refused to take a statement from an individual involved in an accident on 01 October 2009 on the ground that the parties had previously signed a *constat à l'amiable* for insurance purposes.

**Reply:** I am informed by the Commissioner of Police that preliminary investigation indicates that no Police Officer from Quatre Bornes Police Station has refused to take a statement from an individual involved in an accident on 01 October 2009 on the ground that the parties had previously signed a "*constat à l'amiable*" for insurance purposes.

This investigation also indicates that no complaint of such type has been reported at the Complaints Investigation Bureau at the beginning of October 2009. However, this investigation is proceeding to confirm this indication.

I would also like to emphasise that Standing Order 117(2) of the Police provides that any declaration made at a Police Station shall immediately be entered in the Occurrence Book and no declaration, however trifling, is to be refused.

**RODRIGUES – SEISMIC TREMOR – 12 OCTOBER 2009**

(No. B/1103) Mr J. R. Spéville (Second Member for Rodrigues) asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to Rodrigues, he will –

- (a) for the benefit of the House, obtain from the Mauritius Meteorological Services, information as to if a seism hit the island on or about 12 October last, indicating if the population was informed thereof, and
- (b) state if Government is considering the advisability of installing a seismograph in Rodrigues.

**Reply:** As regards part (a) of the question, I am informed by the Director of the Mauritius Meteorological Services that no seismic activity was recorded on the Island of Rodrigues on or about 12 October 2009.

The Director has, however, reported that, around 0715 hours on 12 October 2009, a seismic tremor of intensity 6.0 on the Richter scale was detected at about 435 Km in the North Eastern region of Rodrigues, at a depth of about 10 Km along the mid-Indian Ridge.

The Director has further reported that the population in Rodrigues was not unnecessarily alarmed as the readings in real time of the tide gauge installed in Port Mathurin and the analysis of data available from other reliable sources did not reveal any abnormality in the sea waves likely to give rise to a tsunami.

As regards part (b) of the question, I am informed by the Director of the Mauritius Meteorological Services that the “*Institut de Physique du Globe de Paris*”, a French Geological Agency, has agreed, under a UNESCO-Sponsored Programme to provide a seismometer for Rodrigues.

I am also informed that the Rodrigues Administration has just completed the construction of a concrete shed at Citronelle to house the seismometer.

The Mauritius Meteorological Services is liaising with the donor organization for the shipment of the seismometer.

**POINTE AUX SABLES - KENSINGTON PLACE – THEFT & AGGRESSIONS**

**(No. B/1104) Mrs A. Navarre-Marie (First member for GRNW and Port Louis West)** asked the Prime Minister, Minister of Defence and Home Affairs whether, in regard to the residents of Kensington Place at Pointe aux Sables, he will –

- (a) for the benefit of the House, obtain from the Commissioner of Police, information as to the number of reported cases for the past four years of
  - (i) thefts with violence to their prejudice, and
  - (ii) physical aggressions on their person and
- (b) indicate in each case, if an inquiry has been carried out and the outcome thereof.

**Reply:** I am informed by the Commissioner of Police that for the past four years, no case of theft with violence has been reported to the prejudice of the residents of Kensington Place at Pointe aux Sables. However, four cases of larceny and three cases of physical aggression in the locality have been reported at Pointe aux Sables Police Station.

With regard to part (b) of the question, the outcome of Police enquiry in these cases is as follows -

- (i) two persons have been fined in two cases of physical aggression;
- (ii) one case of theft is pending enquiry, and
- (iii) the remaining four cases have been filed.

**TROIS BOUTIQUES - PARCOURS DE SANTE**

**(No. B/1133) Mr Y. Varma (First Member for Mahebourg & Plaine Magnien)** asked the Minister of Environment and National Development Unit whether, in regard to the proposed construction of a *parcours de santé*, in Trois Boutiques, he will state where matters stand.



**Reply:** The project for the construction of a *Parcours de Santé* at Trois Boutiques is ready for implementation. I understand that the hon. Member has already spoken with the vegetable growers who are presently occupying the land which they have agreed to vacate once the works will start which is scheduled sometimes in early January.

#### **PLEIN BOIS - FOOTBALL GROUND - CONSTRUCTION**

**(No. B/1134) Mr Y. Varma (First Member for Mahebourg & Plaine Magnien)** asked the Minister of Youth and Sports whether, in regard to the project for the construction of a football ground at Plein Bois, he will state where matters stand.

**Reply:** I would refer the hon. Member to the reply I made to PQ B/508 on this matter. I am advised by the Ministry of Housing and Lands that no request has been made for the acquisition of land in connection with the construction of a football ground at Plein Bois.

#### **MERCURY STREET, COROMANDEL – REHABILITATION WORKS**

**(No. B/1135) Mr R. Bhagwan (First Member for Beau Bassin and Petite Rivière)** asked the Minister of Public Infrastructure, Land Transport and Shipping whether, in regard to Mercury Street, Morcellement Hermitage, Coromandel, also known as *Chemin La Mort*, he will state when rehabilitation works thereat are expected to start.

**Reply:** Since a month ago, the Road Development Authority has been entrusted with the responsibility of implementing this project and I am pleased to announce that work order has already been issued. District Contractor (Transinvest) has been requested to mobilise on site immediately. The estimated cost of the project is Rs15 m.

#### **NATIONAL FOOTBALL TEAM – PERFORMANCE**

**(No. B/1136) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Minister of Youth and Sports whether, in regard to the national football team, he will state the measures that will be taken to improve the performance thereof, especially in view of the forthcoming Indian Ocean Games.

**Reply:** As soon as I was appointed Minister of Youth and Sports, one of my priorities was to make an overall assessment of football in Mauritius and to come forward with measures

to give our local football its '*gloire d'antan*'. Thus, several measures were taken for the revival of football, namely -

- (i) a new national football coach in the person of Akbar Patel was appointed;
- (ii) the '*Centre National de Formation de Football*' at Reduit was re-opened, and
- (iii) a '*Directeur Technique National*' (DTN) Football was appointed.

Moreover, a Steering Committee was set up under the Chairmanship of Mr Vincent Rogers to make recommendations to improve our local football, including the performance of our national team. The Steering Committee has already submitted an interim report which is presently under examination. Our national coach has defined the programme of activities for our national team and has, as its main target, the Indian Ocean Islands Games 2011. The programme submitted by him includes -

- (i) regular intense training for one week each month, with a practice match at the end of the week, with local sparing partners. Opportunities will also be sought for international friendly matches;
- (ii) a two-week training before any official match;
- (iii) a review of the functions of all cadres related to the national team, that is, the Team Manager, medical team, nutritionists and others, and
- (iv) identification of potential players and creation of a Pool of Players, who will be given opportunities for daily training by the national Coach and hence the possibility to be included in the national team.

#### **LAND BASED OCEANIC INDUSTRY – EXPENDITURE INCURRED**

(No. B/1137) Mr S. Soodhun (Fifth Member for La Caverne & Phoenix) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the Land Based Oceanic Industry, he will, for the benefit of the House, obtain from the Board of Investment, information as to the amount of expenditure incurred by the Board in relation thereto as regards -

- (a) international travels;
- (b) investors meetings, and

(c) the services of a transaction adviser.

*(Withdrawn)*

### **FACTORIES – CLOSURE**

**(No. B/1138) Mr S. Soodhun (Fifth Member for La Caverne and Phoenix)** asked the Minister of Labour, Industrial Relations and Employment whether, in regard to the closure of factories, he will state the number thereof since 2005 to date, indicating the number of jobs which have been lost as consequences thereof.

**Reply:** According to the Central Statistics Office, the number of factories which have closed down and the number of jobs lost as a result thereof since 2005 to date are as follows -

| <b>Year</b>            | <b>No of factories which<br/>closed down</b> | <b>No of job losses</b> |
|------------------------|--|-------------------------|
| 2005                   | 54   | 7651                    |
| 2006                   | 113  | 3214                    |
| 2007                   | 76   | 1668                    |
| 2008                   | 51   | 3762                    |
| 2009 (as at Sept 2009) |  | 23    1011              |
| <b>Total</b>           | <b><u>317</u></b>                            | <b><u>17306</u></b>     |

### **MOTOR VEHICLES – SYSTEM OF EXAMINATION**

**(No. B/1139) Mr S. Soodhun (Fifth Member for La Caverne & Phoenix)** asked the Minister of Public Infrastructure, Land Transport and Shipping whether, in regard to the system of examination of motor vehicles, he will, for the benefit of the House, obtain from the National Transport Authority, information as to the measures that are being taken to improve same.

**Reply:** Presently, vehicle examination is being conducted in the two vehicle examination centres of the National Transport Authority. They are found at Plaine Lauzun and Forest Side and they cater daily for an average of 300 and 350 vehicles respectively.

It is a fact that the present system of examination of motor vehicles has not proved to be fool proof and reliable. Numerous complaints have been registered from several quarters and there is reason to believe that many of those complaints are justified.

As one of the reforms for fiscally responsible Governance, Government has decided that the process for vehicle testing at the National Transport Authority will be improved, with the possibility of contracting out such services to accredited private operators as is the case in many European Countries. In this connection, Regulations are being prepared to allow for the grant of licences to authorised examiners for the establishment and operation of private stations for the examination of motor vehicles. The Regulations would also make provisions for the issue of guidelines to the private stations on their mode of operation.

In the meantime, procedures are being completed for the formal solicitation of Expressions of Interest to find out how much the Private sector Operators are interested in the venture. It is to be pointed out that the private stations would be equipped with the latest technologies and manned by fully qualified staff.

### **ST FÉLIX SUGAR ESTATE – WORKERS - COMPENSATION**

**(No. B/1140) Mr A. Ganoo (First Member for Savanne & Black River)** asked the Minister of Agro Industry, Food Production and Security whether, in regard to the ex-artisans of the St Félix Sugar Estate which was closed down two years ago, he will, for the benefit of the House, obtain information as to the -

- (a) reasons why there has been delay in the issue to them of land compensation, and
- (b) measures taken by the SUDS, the receiving miller, to enable them obtain their land.

**Reply:** The closure of St. Félix Sugar Milling Factory was approved on 6 December 2007 and the 144 workers concerned by this closure were paid the cash compensation on 21 December 2007.

With regard to land compensation, I am advised that the receiving mill, which was at the time SUDS and now Omnicane Ltd, did not have land and had to purchase 31.41 *arpents* of land from St. Félix Sugar Estate Ltd. for allocation to the beneficiaries who are each eligible to a plot of land varying between 12 to 16 perches. The site identified and accepted by the workers is at Royal Road, Chemin Grenier.

I am further informed that the transfer of land has been delayed because of disagreement on the selling price and the Mauritius Sugar Authority had to seek the assistance of the Chief Government Valuer to make an assessment of the value of the land. This exercise has been completed to the satisfaction of the two parties in September 2009. The procedure for the land acquisition is in progress.

In parallel, in order not to further delay the process, the Mauritius Sugar Authority has sought the clearance of the different institutions concerned regarding the suitability of the land identified. 10 of the 11 institutions have already responded positively. Upon receipt of the clearance of the last institutions, all the views obtained will be communicated to the *Morcellement* Board which will arrange for the issue of the letter of intent to Omnicane Ltd. Infrastructure works on the Site will, thereafter, be undertaken and should be completed within a period of 15 months.

#### **SATYAM COMPUTER SERVICES – SCAM – CBI (INDIA)**

**(No. B/1141) Mr A. Ganoo (First Member for Savanne & Black River)** asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the Satyam Computer Services, he will state if officers of the Central Bureau of Investigation of India have, during their visit in Mauritius, solicited the help of his Ministry or any other state agency of Mauritius to probe into the Satyam Computer case.

**Reply:** I wish to inform the House that a delegation of three officers from the Central Bureau of Investigation of India (CBI Delegation) did visit Mauritius from 18-24 October 2009. I understand this was a normal visit as allowed under the framework of the Mutual Assistance in Criminal and Related Matters Act.

I am informed that the delegation had informal meetings with the Director of Public Prosecutions; the ICAC; the Police; the Financial Intelligence Unit, and the Financial Services Commission. The Mauritian authorities are fully cooperating with the CBI within the framework of the Act and the laws of the country

#### **SALARY COMPENSATION – BUDGET PROVISION**

**(No. B/1142) Mr A. Ganoo (First Member for Savanne & Black River)** asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to salary compensation, he will state –

- (a) if Government proposes to make provision for the payment therefor to the employees of the public sector, in the forthcoming budget, and
- (b) the procedure which Government proposes to adopt for the determination thereof for the labour force in general.

*(Vide reply to PNQ)*

#### **UNIVERSITY OF MAURITIUS - VICE CHANCELLOR – APPOINTMENT**

**(No. B/1143) Mr A. Ganoo (First Member for Savanne & Black River)** asked the Minister of Education, Culture and Human Resources whether, in regard to the appointment of the Vice Chancellor of the University of Mauritius, he will, for the benefit of the House, obtain from the University, information as to –

- (a) the names of the applicants, indicating their respective qualifications, distinctions and merits and,
- (b) if the nomination committee has taken any final decision.

**Reply:** I wish to inform the House that 60 candidates applied for the post of Vice-Chancellor at the University of Mauritius, but only 10 were shortlisted for interview and details of their names and qualifications are being tabled.

Based on the recommendations of the Nomination Committee, the University Council has taken a final decision on 23 October 2009 for the appointment of Professor Konrad Morgan as Vice-Chancellor of the University of Mauritius.

#### **CASTING OF SLABS – ALLOCATION - ELIGIBILITY**

**(No. B/1144) Mrs F. Labelle (Third Member for Vacoas & Floreal)** asked the Minister of Housing and Lands whether, he will state if Government will consider reviewing the present limit of family income for eligibility to the allocation of –

- (a) grants for the casting of slabs, and
- (b) social houses.

**Reply (The Vice-Prime Minister, Minister of Finance and Economic Development):**

Changes in policies, if any, concerning the issues raised are usually announced during the Budget. The hon. Member will have to be patient for another week.

**CENTRAL HEALTH LABORATORY - SERVICES - FEES**

(No. B/1145) Mrs F. Labelle (Third Member for Vacoas & Floreal) asked the Minister of Health and Quality of Life whether, in regard to the Central Health Laboratory, at Candos, he will state if fees are being charged to benefit from the medical laboratory services being dispensed thereat and, if so, indicate –

- (a) since when, and
- (b) the amount of fees claimed.

**Reply:** I wish to inform the House that no fees, whatsoever, are charged for laboratory tests carried out in respect of patients attending public hospitals and health centres. Moreover, other categories of persons exempted from the payment of such fees under Section 4 of the Central Health Laboratory (Fees) Regulations 2009, include old age pensioners and registered unemployed. However, since 1969, public laboratory services have been offered against payment of fees to patients from the private sector.

As regards part (b) of the question, the fees claimed are as specified in the Schedule of the Central Health Laboratory (Fees) Regulations 2009, gazetted on 20 June 2009.

**LISBON TREATY - IMPLEMENTATION**

(No. B/1146) Mr J. Cuttaree (Second Member for Stanley & Rose Hill) asked the Minister of Foreign Affairs, Regional Integration and International Trade whether, in regard to the Lisbon Treaty which is expected to be ratified by the end of the year, he will state the expected impact thereof on the European Union - African Caribbean Pacific relationship.

**Reply:** The Lisbon Treaty provides a new dimension to the EU's external policies and marks the gradual transformation of the EU from an inward looking community to one geared towards addressing global challenges. For the ACP countries, the amendments brought by the Lisbon Treaty could be seen as a simplification of the complex institutional structures of the EU, especially in relation with the European Development Cooperation. The EU will now relate to its

international partners through two leading figures, namely the high Representative of the Union for Foreign affairs and Security Policy, who will also be the Vice President of the European Commission and the President of the European Council.

As the house is aware, the ACP-EU relations are governed by the Cotonou Agreement which will expire in 2020. The Cotonou Agreement is a negotiated agreement between the ACP and the EU. Any changes to this agreement can only be negotiated between the two sides, and cannot be amended unilaterally by the EU.

Moreover the economic and trade relations between the ACP countries and the EU will be governed by the Economic Partnership Agreement, once the EPA negotiations have been concluded and the Agreement has been signed and ratified. It is to be noted that the EPA will replace the trade provisions of the Cotonou Agreement. So far in the Eastern and Southern African region (ESA), we have signed an Interim EPA pending the conclusion of a full EPA.

Under the Lisbon Treaty, there is the possibility that the entire common trade policy, including services, investment and intellectual property rights in which the European Commission has shared competence with EU member states would be grouped under a single entity. If this is the case, then the Commission may have stronger leverage to negotiate the movement of natural persons, including in the context of the Economic Partnership Agreement and therefore ACP countries may have the possibility to secure in the EPA negotiations a better deal on this issue in which they have a comparative advantage. The commissioner may also take a stronger position in pushing for services and investment negotiations in Free Trade Agreements, including under the Economic Partnership Agreement

It is to be noted that the Lisbon Treaty does not make any specific reference to the ACP and the European Development Fund, as was the case in previous Agreements. This implies that the ACP-EU relations may gradually be integrated into EU relations with other developing countries, leading to competition for EU development assistance. It could also be that the geographical desk for the ACP may be integrated into a single entity whose mission will be wide enough to encompass political, diplomatic, trade and development issues.

The Lisbon Treaty is new and the EU and its institutions and the ACP will learn about its strengths and weaknesses during the course of its implementation. Even, EU diplomats and specialists on EU regional integration are not clear and have differing views on its merits as some even foresee that its full and effective implementation may take more than ten years. At



least in the early years, much will depend on the political clout of the Council President and the support he will get from EU Heads of States.

At a seminar organised in Brussels for ACP Ambassadors, the representative of the Commission did give the assurance that the Lisbon Treaty will not have any adverse effect on the ACP. It is very difficult at this stage to give a clear indication of any possible impact on the ACP–EU relations resulting from the structural changes to be brought about by the Treaty. It is only in the course of its implementation that any possible impact will become visible. We are following up on this issue and will keep the House informed.

### **HOSPITALS – ANAESTHETISTS**

**(No. B/1147) Mr J. Cuttaree (Second Member for Stanley & Rose Hill)** asked the Minister of Health and Quality of Life whether, in regard to the hospitals, he will state –

- (a) the number of anaesthetists in post, indicating the number of vacancies existing on the establishment, and
- (b) if surgical operations are being postponed due to a lack of anaesthetists and of equipment in the operating theatres and if so, indicate the remedial measures that will be taken.

**Reply:** I am informed that out of an establishment of 262 posts of Specialist/Senior Specialist in all fields, 26 posts are earmarked for Specialists (Anaesthesia). Presently, 21 Anaesthetists are physically in post. In addition, 5 doctors at the level of Consultants-in-Charge, Anaesthesia, also discharge clinical duties in that field. Consequently, there are 5 vacancies in the field of Anaesthesia.

As regards part (b) of the question, I wish to inform the House that the hospitals operate on a 24 hour basis and no emergency surgical operations are ever cancelled. However, it is an international practice that non emergency surgical operations are rescheduled on occasions when for instance -

- (a) the patient is unfit for operation;
- (b) the operating theatre is taken up by emergency operations, or
- (c) there is temporary unavailability of Anaesthetists.

Unfortunately 1 Anaesthetist passed away on Sunday 8 November 2009.

I am also informed that, so far, no operations have been postponed due to problems of equipment in the operating theatres.

With a view to addressing the current shortage of Anaesthetists, my Ministry has taken the following measures –

- (i) retired Anaesthetists have been employed on contract/sessional basis;
- (ii) procedures have been initiated for the recruitment of Anaesthetists from India;
- (iii) 6 Medical and Health Officers are undergoing postgraduate training in anaesthesia in collaboration with Bordeaux II University, and
- (iv) extra surgical sessions are carried out after normal working hours.

I wish to inform that it takes 3 to 5 years for a qualified Medical and Health Officer to be trained as Specialist in the field of Anaesthesia. Had the previous Government been proactive in providing training to the Medical and Health Officers, we would not have to face such a situation today.

#### **DIFFUSION TECHNOLOGY SCHEME – AMOUNT DISBURSED**

**(No. B/1148) Mr M. Dowarkasing (Third Member for Curepipe & Midlands)** asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the Diffusion Technology Scheme, he will state the amount of money disbursed therefrom, as at to date, indicating the number of small and medium enterprises that have benefitted therefrom.

**Reply (The Minister of Business, Enterprise and Co-operatives):** I am informed that the Technology Diffusion Scheme (TDS) is a scheme being implemented by the Small Enterprises and Handicraft Development Authority (SEHDA) under the Manufacturing Adjustment and SME Development Fund (MASMED). The Scheme provides a matching grant to the limit of 75% (from the Government and 25% from the SME) of project cost up to a ceiling of Rs. 500,000 to support SMEs in the acquisition of technology. An amount of Rs40 m. has been earmarked for the scheme.

The eligibility criteria for the Technology Diffusion Scheme are as follows –

- (i) manufacturing enterprises with an annual turnover not exceeding Rs. 15m., and
- (ii) enterprises in operation for at least one year.

I am also informed that eighty five (85) applications were received, out of which 37 were found to be eligible. As at date, 21 applications have been approved for a total amount of Rs 8,811,924. The amount disbursed so far is Rs4,801,626 in favour of thirteen (13) SMEs. The remaining amount of Rs4,010,298 will be disbursed to the other 8 companies as and when they submit the required documents to SEHDA.

The remaining sixteen applications are currently being processed at the level of SEHDA. About Rs. 6.5m is expected to be approved and disbursed, shortly.

Following the Budget in May 2009, the Technology Diffusion Scheme was reformulated and applications were to be considered under the SJR Fund. Consequently, no new applications were taken from applicants. However, following a meeting held with the Vice-Prime Minister, Minister of Finance and Economic Empowerment in October 2009, a decision was taken to re-activate all projects under the MASMED Fund until exhaustion of funds. Consequently, SEHDA will again advertise for the schemes to attract potential SMEs under the Technology Diffusion Scheme.

### **BEACH EROSION, LAGOONS & CORAL REEFS - PROTECTION WORKS**

**(No. B/1149) Mr M. Dowarkasing (Third Member for Curepipe & Midlands)** asked the Minister of Environment and National Development Unit whether, in regard to the protection of the environment, he will state the measures his Ministry has taken to combat beach erosion, protect our lagoons and coral reefs and to re-forest the depleted regions, since his assumption of office.

**Reply:** My Ministry has undertaken coastal protection works over a total stretch of 1.4 km as follows -

- 450 m at Rivière des Galets;
- 725 m at Flic en Flac;
- 100m at Bain des Dames, and
- 125m at Trou aux Biches

Beach reprofiling works have been carried out over 1 km at Belle Mare and 400m at Le Morne.

Furthermore, coastal erosion abatement works are being planned as follows -

- 300m at Grand Baie
- 500m at Mon Choisy
- 200m at Bras D'Eau.

My Ministry also conducts regular monitoring and assessment on the status of coastal erosion around Mauritius. Some 12 sites over a total stretch of about 3 km of the shoreline showing signs of erosion due to natural factors such as cyclones and sea surges have been identified for rehabilitation in the near future.

Although the protection of the lagoon and coral reefs and the re-forestation of depleted regions do not fall within the purview my Ministry, we are undertaking the following works in collaboration with other relevant authorities -

- I. Lagoonal water quality monitoring.
- II. Measures to protect and prevent the pollution of the coastal and marine environment from land based sources and activities under the Nairobi Convention.
- III. Placement of grids in 4 streams in the Port Louis area and solid waste management in the ports area.
- IV. Control of soil erosion in Black River Gorges National Park.
- V. Sensitisation and capacity development of stakeholders on coastal zone management issues under the IOC/EU Regional Programme for the Sustainable Management of the Coastal Zones of the Indian Ocean Countries (ReCoMaP).
- VI. Measures to prevent pollution from ships and capacity building for the prevention of coastal and marine contamination under the World Bank/GEF Western Indian Ocean Maritime Highway Development and Coastal and Marine Contamination Prevention project.
- VII. Tree planting campaigns, and
- VIII. Industrial Pollution control and abatement measures to prevent contamination of the lagoon.

**CWA – PIPES & FITTINGS - FRAUD**

(No. B/1150) Mr M. Dowarkasing (Third Member for Curepipe & Midlands) asked the Deputy Prime Minister, Minister of Renewable Energy and Public Utilities whether he will, for the benefit of the House, obtain from the Central Water Authority, information as to if a fraud was discovered thereat in relation to pipes and fittings and, if so, if an inquiry has been carried out thereinto, indicating the -

- (a) outcome thereof, and
- (b) measures taken as at to date.

**Reply:** I refer the hon. Member to the reply I made to PQ No. B/383 of 28 April 2009.

Following the inquiry, the Disciplinary Committee was set up to hear officers who were allegedly involved in the fraudulent activities. In line with the recommendations of the Committee and after considering the appeal lodged by the officers, the increment of one officer has been stopped for a period of five years and three years, respectively and one officer has been dismissed.

The disciplinary proceedings of two other officers are still ongoing and I am informed that the next hearing of their cases is scheduled on 19 and 20 November 2009.

With regard to part (b) of the question, I am informed by the CWA that the Cité La Cure Stores has been re-organised and additional security measures have been taken including improved control for receipt and delivery of stores and the Procurement Division is being restructured.

**MALHERBES FOOTBALL GROUND – UPGRADING WORKS**

(No. B/1151) Mr M. Dowarkasing (Third Member for Curepipe & Midlands) asked the Minister of Youth and Sports whether, in regard to the Malherbes Football ground, he will state when the turfing and upgrading works will start thereat.

**Reply:** I am informed that the contractor who was awarded the contract for the completion of outstanding works at Malherbes Football ground has not attended to defects regarding levelling of the ground and turfing as at the end of the 12 months of maintenance period.

My Ministry has already decided to enlist the services of a turf specialist to remedy the situation. However, works will start once the quantum of the outstanding payment to the

contractor has been determined by the Ministry of Public Infrastructure, Land Transport and Shipping (Public Infrastructure Division).

In fact, The Public Infrastructure Division of the Ministry of Public Infrastructure, Land Transport and Shipping is working on the determination of the contract taking into consideration deductions to be made for works not completed and application of penalty clause

**GRNW & PORT LOUIS WEST – CHILDREN’S PLAYGROUNDS -  
UPGRADING**

**(No. B/1152) Mrs S. Grenade (Second Member for GRNW & Port Louis West)** asked the Minister of Local Government, Rodrigues and Outer Islands whether, in regard to the children’s playgrounds in Constituency No. 1 – Grand River North West and Port Louis West, he will, for the benefit of the House, obtain information as to if there are projects for the upgrading thereof and if so, indicate those which will be upgraded and when.

**Reply:** I am informed by the Municipality of Port Louis that two children playgrounds in constituency No. 1, Grand River North West and Port Louis West, namely at Andreanum Street, La Tour Koenig and near Municipal Centre at Grand River North West are being upgraded. These works will be completed by the end of February 2010.

**LA TOUR KOENIG & RESIDENCE COQUILLAGE – POLLUTION  
PROBLEMS**

**(No. B/1153) Mrs S. Grenade (Second Member for GRNW & Port Louis West)** asked the Minister of Environment and National Development Unit whether, in regard to the pollution problems in the region of La Tour Koenig and Residence Coquillage, he will state where matters stand.

**Reply:** My Ministry monitors closely the situation at La Tour Koenig. I understand that following regular breakdowns of the boilers at CMT Ltée, my Ministry issued an Enforcement Notice on 14 July 2008. The factory has implemented the following measures to remedy the situation -

- an audit of the boilers;

- submission of a programme of measures to remedy the situation and schedule for regular maintenance;
- installation of surveillance system including control screen in the boiler room;
- survey and cleaning of affected areas due to deposit of black soot, and
- submission of Environmental Monitoring Reports on a monthly basis.

These were completed during the three weeks given to the company.

Following these measures my Ministry carried out ambient air monitoring on three occasions, the last one was from 21 July to 8 September 2009. The monitoring exercise revealed that all the parameters measured were within standards, except that during the last exercise, the hourly average of sulphur dioxide was slightly above on a few times.

Upon directions of my Ministry, CMT Ltée installed a wet scrubber in October 2009.

Furthermore, at the request of my Ministry CMT commissioned the University of Mauritius for an independent air monitoring exercise which were carried out both at stack level (10-14 October) and for ambient air (29-31 October and 5-7 November) after the installation of the wet scrubber. The results have shown that all the parameters measured were within the standards. Moreover, the levels of both the particulate matter and the sulphur dioxide have significantly decreased and were within standard.

The operation of the newly installed scrubber has unfortunately given rise to noise pollution especially at night. I am informed that at the request of the Ministry of Health & Quality of Life, CMT Ltée carried out preliminary sound proofing works. The last noise survey carried out on 3 November 2009 showed that the noise level was within standard. The Ministry of Health & Quality of Life is following up on this matter.

Monitoring is being maintained at La Tour Koenig.

**CITE BARKLY – MARKET FAIR - CONSTRUCTION**

**(No. B/1154) Mr M. Allet (Second Member for Beau Bassin & Petite Rivière)** asked the Minister of Local Government, Rodrigues and Outer Islands whether, in regard to the construction of a market fair at Cité Barkly, he will state where matters stand, indicating -

- (a) when works will be completed, and
- (b) the cost thereof.

**Reply:** I am informed by the Municipality of Beau Bassin/Rose Hill that some outstanding works namely plumbing, fencing and fixing of kerbs in respect of the project for the construction of a market fair at Cité Barkly will be completed by the end of this month.

With regard to part (b) of the question, I am informed that the contract value of the project is Rs4,979,167.88

#### **MONT ROCHES – DRAINS - CONSTRUCTION**

**(No. B/1155) Mr M. Allet (Second Member for Beau Bassin & Petite Rivière)** asked the Minister of Environment and National Development Unit whether, in regard to the region of Mont Roches, he will state if there is any project for the construction of drains thereat.

**Reply:** The National Development Unit has already initiated procedures for the implementation of a drain project along Epingle Street, Mont Roches.

The scope of works and the cost estimate are expected to be finalised by the consultant of the NDU by mid November 2009, following which the award would be made to the zonal contractor.

#### **SSR INTERNATIONAL AIRPORT - AUTOMATIC LANDING EQUIPMENT**

**(No. B/1156) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Vice-Prime Minister, Minister of Tourism, Leisure and External Communications whether, in regard to the automatic landing equipment at the Sir Seewoosagur Ramgoolam International Airport, he will, for the benefit of the House, obtain from the Airports of Mauritius, information as to if it is being replaced and, if so-

- (a) give details of the project, and
- (b) indicate if any aircraft was unable to land over the past weeks and, if so, give the –



- (a) number thereof, and
- (b) reasons therefor.

**Reply:** I am advised that firstly, there is no such thing as Automatic Landing Equipment at the Sir Seewoosagur Ramgoolam International Airport. Secondly, matters pertaining specifically to instrument landing equipment fall within the statutory responsibility of the Department of the Civil Aviation, and not, the Airports of Mauritius Ltd. Therefore, parts (a) and (b) of the question do not arise.

However, I am informed by the Director of Civil Aviation that due to inclement weather conditions prevailing during the period 21 to 24 October 2009, some 12 flights were diverted to Réunion Island. All these flights subsequently landed safely at the Sir Seewoosagur Ramgoolam International Airport. I am given to understand that diversion of flights to alternate airport is not an uncommon feature of civil aviation and that the overriding consideration in the operation of such a flight, whether it is diverted to or from Mauritius, is the safety of passengers and aircraft.

I have been reassured by the Director of Civil Aviation that during those adverse weather conditions, operators at the airport mobilised to minimise inconveniences to all parties concerned whilst ensuring that safety was at no time compromised.

#### **NHDC ESTATES – ATLEE/ DUBREUIL - RENOVATION**

**(No. B/1157) Mrs M. Martin (Second Member for Curepipe & Midlands)** asked the Minister of Housing and Lands whether, in regard to the renovation of the housing units of the NHDC estates of Atlee and Dubreuil, he will, for the benefit of the House, obtain from the National Housing Development Company Ltd., information as to where matters stand.

**Reply:** I wish to refer the hon. Member to the replies made in May 2009 to the Private Notice Question of the hon. Leader of the Opposition and recently to the PQ No. B/1073.

I will once again emphasise on the fact that it is the responsibility of Syndics under existing legislation to ensure the proper maintenance and running of the NHDC housing estates.

It is not within the mandate of any Government to renovate private properties. However, this Government is a caring one and has at heart the living conditions of those who are at the lower rungs of the ladder.

It is in this spirit that a survey was carried out in all NHDC housing estates and repair works estimated at more than Rs235 m. were identified. Funds to the tune of Rs127 m. have been made available where the repair works are considered as most urgent.

Consideration will be given to repair works already identified on the remaining sites including Atlee and Dubreuil depending on the availability of funds.

### **CITÉ ANOSKA, 16<sup>ÈME</sup> MILLE – ROAD REPAIRS**

**(No. B/1158) Mrs M. Martin (Second Member for Curepipe & Midlands)** asked the Minister of Local Government, Rodrigues and Outer Islands whether, in regard to the proposed repair works to be carried to the only road leading to Cité Anoska, 16<sup>ème</sup> mille, he will state where matters stand.

**Reply:** I am informed by the Grand Port/Savanne District Council that repair works were carried out to the road leading to Cité Anoska, 16<sup>ème</sup> Mille in August 2009.

I am further informed that it is proposed to construct an absorption drain near the Community Centre in order to prevent accumulation of water thereat. Tenders are being launched and the project is expected to be completed in January 2010. The road leading to Anoska Village will thereafter be resurfaced in February 2010.

### **NHDC HOUSING UNITS – ELIGIBILITY CRITERIA**

**(No. B/1159) Mrs M. Martin (Second Member for Curepipe & Midlands)** asked the Minister of Housing and Lands whether, in regard to the NHDC housing units, he will, for the benefit of the House, obtain from the National Housing Development Company Ltd., information as to the –

- (a) number thereof;
  - (i) made available to the public, since January 2006 to date;
  - (ii) which are still available to date, indicating their respective location, and
- (b) eligibility criteria for the acquisition thereof.

**Reply:** I will reply to PQ Nos. B/1159 and B/1169 together as they are related. In regard to part (a)(i) of PQ No. B/1159, I am informed by the NHDC that, since January 2006 to date,

some 2019 housing units have been allocated to eligible beneficiaries islandwide. These include a last batch of 533 units in respect of which allocation was completed at end of October last.

In regard to part (ii) of the question, I am informed that there is no housing unit available as at to date.

As regards part (b), may I refer the hon. Members to the reply I made to PQ No. B/1060 at our last sitting, when I indicated in detail the eligibility criteria.

### **DUBREUIL –TAXI DRIVERS**

**(No. B/1160) Mrs M. Martin (Second Member for Curepipe & Midlands)** asked the Minister of Public Infrastructure, Land Transport and Shipping whether he has been made aware of the plight of the taxi drivers operating at Dubreuil and, if so, will he state the remedial measures that will be taken.

**Reply:** I assume that the hon. Member is referring to the absence of a taxi stand at Dubreuil when she is alluding to the plight of the taxi drivers of the locality.

I am informed by the National Transport Authority that in the year 2000, the Dubreuil Village Council proposed that a taxi stand be constructed at Dubreuil along the Cemetery Road to accommodate the three taxi cars serving the locality. The proposal was approved.

However, at a meeting held on 22 October, 2001 in the Dubreuil Village Hall, the National Transport Authority with other stakeholders, including the taxi operators, the latter objected to the proposal as the number of taxis based at Dubreuil had increased from 3 to 14. The Village Council was, therefore, requested to propose an alternative site in consultation with the taxi drivers.

It was only in October, 2008 that the Moka Flacq District Council proposed a site near the Dubreuil Government School.

Following a joint site visit on 06 December 2008 by the National Transport Authority and the Traffic Management and Road Safety Unit, it was found the proximity of the site to the school would constitute a road safety hazard for the school children. A new site near the Young Boys Club was indentified.

As the ownership of the land and its extent are unknown, the Ministry of Housing and Lands has been requested to carry out a survey and provide the required information. Once the

information is obtained, necessary action will be taken. I have requested the National Transport Authority to closely follow-up the matter so that necessary action can be expedited.

### **PRIMARY & SECONDARY SCHOOLS – CURRICULUM REFORMS**

**(No. B/1161) Mr N. Bodha (First Member for Vacoas & Floreal)** asked the Minister of Education, Culture and Human Resources whether, in regard to curriculum reforms, he will state if Government will consider introducing arts, sports and civic values as examinable subjects at primary and secondary levels.

**Reply:** In the context of reforms which are being undertaken by my Ministry in the education sector, due consideration has already been given to Arts, Sports and Civic Values in the school curriculum. The National Curriculum Framework for the Primary Sector which was developed in 2006 places a lot of importance of the teaching and learning of these.

With regard to the Primary Sector, Arts is covered as a component in the teaching of other subjects at Standards I and II levels. Arts exist as a subject from Standards III to VI. Sports, for its part, is already covered in the subject of Health and Physical Education in the primary sector and will be further strengthened as from January 2010. Civic Values, on the other hand, are integrated into the different subjects across the curriculum from Standards III to VI.

These subjects are not examinable but with the introduction of Continuous Assessment at primary level, consideration is being given to these subjects being assessed.

At Secondary level, Visual Arts is an examinable subject from Forms I to III. In addition, Art and Design, is offered as an optional subject from Forms IV to VI and is examinable.

Music is also offered as a subject in Forms I and II but is not examinable presently.

Sports, also known as Physical Education, are practised by students in classes starting Form I to Form VI. An evaluation is carried out at school level in Forms I and II. Consideration is being given to extending the evaluation exercise to students of Form III, and also for the introduction of Physical Education as an examinable subject at School Certificate as from 2011. In this context, a pilot project is being initiated as from 2010 in Form IV in fourteen (14) secondary schools, both State and private, to offer it as an examinable subject.

“Civic Values” is integrated in the various subjects taught at secondary level and the question of making it an examinable subject does not arise. Moreover, I am informed that, the

subject “Civic Values” or “Citizenship” is not available as an international syllabus for examinations at either Ordinary or Advanced Level.

### STC – FLOUR – TENDERS

**(No. B/1162) Mr P. Jugnauth (First Member for Quartier Militaire & Moka)** asked the Minister of Business, Enterprise and Co-operatives whether, in regard to the 2010 contract for flour, he will, for the benefit of the House, obtain from the State Trading Corporation, information as to the number of times tenders have been launched, indicating –

- (a) the reasons therefor;
- (b) the outcome of each tender exercise, and
- (c) if the contract has been awarded.

**Reply:** In regard to the 2010 contract for flour, I am informed by the State Trading Corporation (STC) that on 09 September 2009, a tender was launched for the supply of wheat flour during year 2010. However, on 25 September 2009, the tender was annulled and on 29 September, tender was launched anew.

In regard to part (a) of the question, the first tender was annulled following representations made by *Les Moulins de la Concorde* regarding the following changes brought in the tender documents for year 2010 –

- (i) the option of quantity of 47,000 MT has been increased from  $\pm 10$  % to  $\pm 20$  % at Buyer’s option;
- (ii) the inclusion of period of 15 days for giving the possibility to bidders to challenge award of a contract was withdrawn, and
- (iii) the following clauses were added –
  - Certificate of Analysis and Quality Certificate at loading and unloading points;
  - Phytosanitary Certificate;
  - Certificate of origin of product delivered, and
  - Termination for convenience clause.

Thus, as permissible under clause 16.1. Section '*Instruction to bidders*' of the tender document, the tender was annulled.

In regard to part (b) of the question, there was no outcome as the first tender was annulled before the closing date.

In regard to part (c) of the question, the contract has not yet been awarded.

### **STC – COMMODITIES – IMPORTATION**

**(No. B/1163) Mr P. Jugnauth (First Member for Quartier Militaire & Moka)** asked the Minister of Business, Enterprise and Co-operatives whether, in regard to the State Trading Company Ltd., he will, for the benefit of the House, obtain from the Company, information as to the commodities and the respective quantities thereof imported, since its inception.

**Reply:** I am informed by the State Trading Corporation (STC) that there is no company registered under the name of the State Trading Company Ltd operating at its premises. However, if the hon. Member is referring to STCM Ltd, the information required is being compiled.

### **SMALL AND MEDIUM ENTREPRISES – SME PARTNERSHIP FUND**

**(No. B/1164) Mr P. Jugnauth (First Member for Quartier Militaire & Moka)** asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the announcement made in the 2008/2009 budget speech in relation to the Small and Medium Enterprises, he will state the -

- (a) number of small and medium enterprises which have benefitted from the SME Partnership Fund;
- (b) banks which have set up dedicated Small and Medium Enterprises Departments, and
- (c) number of start-ups which have benefitted from 75% Government guarantee on loans.

**Reply:** As the House is aware, I did mention in my 2008/2009 Budget Speech that inclusive Mauritius is also about widening the economic space for micro and small enterprises. In this respect, one of the measures announced related to improving the system of support to small and medium enterprises by broadening the availability of finance and facilitating its access for enterprises that have viable projects but are short of equity.

This scheme is implemented in collaboration with the Commercial Banks on an equal risk sharing basis under which an SME with less than Rs50 m. turnover would qualify for a loan with limited equity of no more than 10 % as compared to the commercial requirement of 40%. On the other hand, for start-up, Government would guarantee 75% of the loans provided the SME mobilizes at least 5 % equity.

Insofar as part (a) of the question is concerned, I also wish to inform the House that since the start of the scheme in 2007, previously under the Empowerment Fund, 560 projects have been received and processed. Out of these, 100 projects were approved for a project value of Rs657 m. So far disbursements have been made in the amount of Rs53 m. for 45 projects whose project value stands at Rs215 m..

The House may wish to note that in the number of projects I have mentioned also include 56 projects that were received after announcement of the measures in the 2008/09 Budget. Disbursements in the amount of around Rs9 m. would be made in respect of six projects once their contract documents are formalized. As regards part (b) of the question, I am informed that nearly all the 10 Commercial Banks that are in retail banking operate an SME Department.

In so far as part (c) of the question is concerned, the scheme is demand driven. Under prior schemes, credit has generally been provided directly through one state-owned entity, resulting into bottlenecks in project appraisals and disbursements.

The House will appreciate the fact that it is the first time that Government is working in collaboration with private commercial banks to guarantee SME borrowings from the commercial bank on a risk sharing basis.

We, however, do recognise that SMEs are constrained by a lack of capacity to develop and present bankable proposals to support their borrowing. In this connection, Government is launching the Manufacturing and Services Development and Competitiveness Project which will address market impediments: first , help in designing partial risk guarantees and other financial products aimed at catalysing market, second to undertake a thorough analysis of supply and demand for finance among SMEs to identify possible market failures, and reasons for the gaps, and finally to propose appropriate solutions for market segments where private lenders may not be willing to assume credit risk.

The House may also wish to note that already under the New Micro Enterprise Financing Scheme, Government is guaranteeing the MPCB 50% of the financial assistance provided to SMEs, to existing and potential women entrepreneurs, including start ups.

### **FOOD SECURITY - ACTION PLAN**

**(No. B/1165) Mr P. Jugnauth (First Member for Quartier Militaire & Moka)** asked the Minister of Agro Industry, Food Production and Security whether, in regard to the Action Plan on food security presented in 2008, he will state the measures implemented as at to date, indicating the results achieved.

**Reply:** The Food Security Fund Strategic Plan was launched in January 2009 and contains various measures aimed at increasing food production and empowering farmers, planters, breeders and fishers to become modern and professional entrepreneurs. These measures include facilitation of access to resources such as land, infrastructure, planting materials, incentives, grants and soft loans etc, research and development, training, market access, sensitization on good eating habits and regional initiatives.

The first projects were implemented in February and March this year and consisted of mechanical land preparation of two blocks of 100A of sugar cane land released each by Rose Belle Sugar Estate and the Sugar Investment Trust at Bananes and Britannia respectively. Some 200 planters have been allocated land for cultivation of food crops in different clusters. The Food Security Fund has also financed the purchase of inputs such as seeds, fertilizers and plantlets which were offered free of charge to those planters. From feedback received, the planters have already started harvesting of food crops and supplying same in the market.

One of the objectives of the Food Security Strategic Plant is to increase the production of strategic commodities such as potato and onion in order to reduce dependency on imports. Accordingly, two schemes were launched in May to assist potato and onion growers, especially following a sharp increase in the price of seeds which was discouraging them to cultivate these crops. The Seed Potato Purchase Scheme consists in the allocation of an advance to growers of 80% of the cost of seeds purchased from the Agricultural Marketing Board. This advance represents around Rs30,000 per tonne of seeds which the planters will have to reimburse when their crop is harvested. Some 590 tonnes of seeds have been sold under this scheme to some 100 individuals and groups of planters. It is expected that production of potato will increase by 2,000



tonnes this year from 14,000 to 16,000 tonnes. At this rate, the target set of 80% self sufficiency will be achieved by year 2011.

A similar scheme for onion, the Onion Seed Purchase Scheme, was also launched and 34 individuals and groups of planters have taken advantage of the advance. Onion production for the 2009 campaign is expected to increase by 1,000 tonnes. The target of 12,000 tonnes representing 80% of self sufficiency will be reached by year 2011.

The vegetable planters have always been the victims of adverse climatic conditions such as drought, flood, heavy rainfalls and cyclones and their cultivations have been affected wholly or partially as a result of these events. In order to assist them in these difficult times, a new Insurance Scheme, the Food Crop Insurance Scheme, has been introduced under the Food Security Fund, in collaboration with the Small Planters Welfare Fund, to encourage planters to insure their crops. A direct contribution of 50% of the Insurance Premium is being paid by the Food Security Fund for each arpent of land insured. The scheme concerns 27 food crops and covers a maximum of three crop cycles per year. Some 700 small planters have subscribed to the scheme so far for a total harvestable area of around 2000 arpents. The scheme targets to cover some 2,000 planters for a total harvestable area of 5,000 arpents by 2011.

Other measures implemented under the Food Security Fund are as follows -

- (i) the setting up of a model orchard at La Chaumière by the “La Chaumière Agricultural Marketing Cooperative Society” and the dredging of a canal to overcome the flooding problem which was seriously affecting the planters grouped under that Cooperative Society.
- (ii) setting up of the Experimental Station at Pamplémousses to be managed by AREU. The station will serve as a showcase on novel technologies and for training of planters in fruit production and processing.
- (iii) The launching of a national campaign to sensitize fruit growers on measures to be taken to protect fruit trees from bats. A grant scheme is being introduced to assist small fruit planters to buy nets.
- (iv) Provision of electricity supply and ground water to a cooperative society at Petit Merlo for the setting up of a model dairy farm.
- (v) The financing of research projects on potato and pasture development by the MSIRI and AREU respectively.

I have recently approved the following schemes and projects which are being implemented -

- (i) a scheme for the purchase of dairy heifers and cows of improved breeds by small breeders to upgrade the local genetic pools of dairy animals;
- (ii) a scheme for the purchase of goat and sheep of improved breeds to upgrade the local genetic pool of goat and sheep;
- (iii) a scheme for the purchase of young bulls for fattening to reduce the country's dependency on importation of slaughter cattle;
- (iv) a pasture development scheme to encourage the development of high yielding pasture and fodder species which would have a positive impact on livestock productivity and reduce dependency on feed concentrates, hence bringing down production costs;
- (v) the purchase of agricultural and processing equipment and machinery to increase field and post harvest productivity and to bring down production costs;
- (vi) the renovation/construction of proper infrastructure for livestock and poultry activities to encourage breeders to upgrade their infrastructure for enhanced productivity;
- (vii) the construction of four model farms to serve as a reference to the small breeders' community and to encourage small breeders to modernize their activities and adopt good animal husbandry practices;
- (viii) a scheme for the setting up of fish processing and storage plant to develop a modern and sustainable semi industrial fish industry;
- (ix) a scheme to facilitate the purchase of nine semi industrial fishing boats by groups of artisanal fishermen to undertake off lagoon fishing to improve their income and livelihood and to enhance fish production (four for Mauritius and five for Rodrigues);
- (x) free mechanical land preparation to be released by the MSPA for food crop and livestock activities;
- (xi) improvement of an irrigation network at L'Espérance, Trébuchet, involving some 60 food crop planters, and

- (xii) renovation of an onion curing facilities plant at Belle Mare and construction of a new type of curing house at La Marie.

Rodrigues is also benefiting from the Food Security Fund. Funds have up to now been disbursed to enable the Rodrigues Commission for Agriculture and Natural Resources Rehabilitation to build track roads in remote areas which were until recently inaccessible to farmers. Moreover, agricultural lands are also being fenced to prevent stray livestock from destroying standing crops. An amount of some Rs400 M will be injected by Government for the projects, schemes and incentives mentioned above under the Food Security Fund.

### UNIVERSITY OF MAURITIUS – COURSES - CANCELLATION

**(No. B/1166) Mrs L. D. Dookun-Luchoomun (Third Member for La Caverne & Phoenix)** asked the Minister of Education, Culture and Human Resources whether, in regard to the courses offered by the University of Mauritius, he will, for the benefit of the House, obtain from the University, information as to the number thereof advertised and for which students were enrolled and which were subsequently cancelled, indicating the reasons therefor.

**Reply:** I am informed by the UoM as follows -

- (a) Every year, the UoM advertises its programmes of studies around February/March. For the 2009/2010 academic year, a total of 166 programmes were advertised.
- (b) Out of the 166 programmes advertised, 14 were not offered as the number of applications received in respect of those programmes were not in line with the criteria established by the UoM. The list of those programmes is being tabled.
- (c) Out of the remaining 152 programmes, an additional 19 programmes could not be run because only a few students actually enrolled on these programmes. The list of programmes and the number of students enrolled on the programmes are being tabled.
- (d) It is to be noted that 62 students had enrolled on the programmes that were subsequently cancelled. They were offered a seat on other programmes, and only 36 of them agreed to shift to fresh programmes while the remaining 26 students chose to withdraw, and were refunded the fees paid.

### CERVICAL CANCER – VACCINE

**(No. B/1167) Mrs L. D. Dookun-Luchoomun (Third Member for La Caverne & Phoenix)** asked the Minister of Health and Quality of Life whether, in regard to the study carried out by his Ministry to consider the technical and financial implications of introducing the vaccine against cervical cancer in our public health system, he will state the outcome thereof.

**Reply:** I am informed that the study regarding the technical and financial implications for the introduction of a vaccine against cervical cancer is still ongoing. In fact, the study involves a number of steps such as designing of a scientific protocol, determining the sample size as well as the age group of the participants and determining the prevalence of the Human Papilloma Viruses which are known to cause cervical cancer. The final report is expected by June 2010.

#### **STC - EMPLOYEES - RECRUITMENT**

**(No. B/1168) Mrs A. Navarre-Marie (First Member for GRNW & Port Louis West)** asked the Minister of Business, Enterprise and Co-operatives whether, in regard to the employees of the State Trading Corporation, he will, for the benefit of the House, obtain from the Corporation, information as to the number of persons recruited thereat, since September 2005 to date, indicating their respective names, addresses and grades.

**Reply:** The information is being compiled.

#### **NHDC HOUSING UNITS - ALLOCATION - ELIGIBILITY CRITERIA**

**(No. B/1169) Mrs A. Navarre-Marie (First Member for GRNW & Port Louis West)** asked the Minister of Housing and Lands whether, in regard to the low cost NHDC housing units, he will, for the benefit of the House, obtain from the National Housing Development Company Ltd., information as to the prescribed eligibility criteria to benefit from the allocation thereof.

*(Vide Reply to PQ (No. B/1159))*

#### **MAURITIUS - BRANDING EXERCISE**

**(No. B/1170) 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 branding exercise for Mauritius, he will, for the benefit of the House, obtain from the international consultants who were awarded the contract, the recommendations made in the context of the brand identity logo, other than “Mauritius, *C’est un Plaisir*”.

**Reply:** As mentioned by my colleague, the hon. Vice Prime Minister, Minister of Tourism, Leisure and External Communications at the last sitting of the Assembly in reply to parliamentary question B/1052, the Consultant, Mrs Fiona Gilmore, Chairman of Acanchi Ltd which was awarded the contract for the branding exercise, is planning to come to Mauritius in the near future, in connection with the final stages of her assignment.

I have been made to understand that she will be pleased to meet Members of the House to elaborate on the brand strategy, the research carried out, the various proposals made in regard to the brand slogan and strap line and to clarify any other issue in regard to the brand strategy.

#### **MAURITIUS/RODRIGUES TRIP - AIRFARE**

(No. B/1171) Mr J.R. Speville (Second Member for Rodrigues) asked the Vice-Prime Minister, Minister of Finance and Economic Empowerment whether, in regard to the airfare for the Mauritius- Rodrigues trip, he is aware there has been a recent reduction thereof for certain category of passengers and, if so, indicate if it is proposed to set up a high powered committee to consider the request for a reduction thereof generally.

**Reply:** I am informed that the matter is still under consideration.

#### **RODRIGUES - CEB CUSTOMERS - TELEVISION LICENCE FEE**

(No. B/1172) Mr J.R. Speville (Second Member for Rodrigues) asked the Deputy Prime Minister, Minister of Renewable Energy and Public Utilities whether, in regard to the customers of the Central Electricity Board in Rodrigues, he will, for the benefit of the House, obtain from the Board, information as to –

- (a) the number thereof who hold two or more accounts, and
- (b) if the Board has been apprised of cases of payment of television licence fee by customers not owning a television set, indicating the measures taken or proposed to be taken.

**Reply:** I am informed by the CEB that out of 10,350 customers in Rodrigues, 171 hold two or more accounts.

I am informed that eight representations regarding payment of TV licence by customers not owning a TV set have been registered over the period 2005-2009.

These cases have been referred to the MBC for appropriate action.

#### **FORM V – SUBJECT SCIENCE**

**(No. B/1173) Mrs L.D. Dookun-Luchoomun (Third Member for La Caverne & Phoenix)** asked the Minister of Education, Culture and Human Resources whether, in regard to the project to render compulsory the taking of science as a subject up to Form V level, he will state where matters stand.

**Reply:** The project to which the hon. Member is referring is entitled “Broadening the Curricular base at Form V project”. This project does not concern Science only. It aims at ensuring that our students at Form IV and V are exposed to a broader curriculum and subject base in order to make them better equipped, once they reach the age of 16 years, to face the requirements of an increasingly multidisciplinary world of work. I wish, therefore, at the very outset, to clarify that the project was not intended to make sciences compulsory.

The project which is currently being piloted in 14 state and private secondary schools in Mauritius and Rodrigues, provides for Form IV students to study a broader curriculum than is presently the case in non pilot schools. All Form IV science students in these pilot schools are thus studying an 8<sup>th</sup> subject which is either a social science subject or literature, and all Form IV non-science students are studying a new general science subject called 21<sup>st</sup> Century Science. This subject is taught in the UK.

The new 21<sup>st</sup> Century science subject contains several elements departing from the classical sciences. These are very much in line with modern-day topical science issues, such pollution and global warming, management of natural disasters and as keeping healthy.

As part of the on-going evaluation, meetings have been organised with Educators and their proposals to improve the piloting are being taken on board. Furthermore, a survey form has been prepared and discussed with these pilot colleges to obtain feedback on the third term examination performance of the students in these colleges.

My Ministry will, subsequently and in the light of the performance of students in 2009 in the pilot schools, come up with a project evaluation in early 2010. This evaluation will help to decide on the need to expand the project to other State and private schools in 2011 (or

otherwise). In the decision to expand or not to further colleges in 2011, my Ministry will take into consideration the needs for additional teachers and their training to sensitize them on the new subject.

#### **KENSINGTON PLACE, POINTE AUX SABLES - TRANSPORT FACILITIES**

**(No. B/1174) Mrs A. Navarre-Marie (First Member for GRNW & Port Louis West)** asked the Minister of Public Infrastructure, Land Transport and Shipping whether he is aware of the difficulties faced by the residents of Kensington Place at Pointe aux Sables due to the lack of transport facilities and, if so, he will, for the benefit of the House, obtain from the National Transport Authority, information as to if public transport facilities will be made available to them to and from the bus terminal at La Pointe, Pointe aux Sables and Kensington Place.

**Reply:** The National Transport Authority is looking into the advisability and possibility of providing extension bus services as is the case now for Morcellement Pic Pic between La Pointe Bus Terminus and Kensington Place.

For the purpose, a site visit involving officers of the National Transport Authority and the Traffic Management and Road Safety Unit as well as other stakeholders will be effected very shortly. In the light of the findings, appropriate measures will be applied.

#### **MONT ROCHES - SEWERAGE NETWORK**

**(No. B/1175) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Deputy Prime Minister, Minister of Renewable Energy and Public Utilities whether, in regard to the sewerage network system in Beau Bassin, in the context of the Plaines Wilhems Sewerage Project, he will, for the benefit of the House, obtain from the Waste Water Management Authority, information as to if same will be extended to Mont Roches and, if so, when works are likely to start.

*(Vide Reply PQ No. B/1127)*

## Appendix I

PQ. No. B/1105

## LIST OF COURSES BEING RUN AT KBTC IN 2009

| <b>Mode</b>                          | <b>Course Title</b>   |
|--------------------------------------|---|
| <b>Full Time</b><br><b>NTC3</b>      | Electrical Installation Work  |
|                                      | Plumbing & Pipe Fitting   |
|                                      | Welding & Metal Fabrication   |
|                                      | Refrigeration & Air Conditioning                                    |
| <b>Apprenticeship Scheme</b>         | Certificate in Network and Data Cabling                             |
|                                      | Certificate in Fabrication and Fixing of Aluminum and U-PVC Opening |
|                                      | Certificate in Computer Peripherals Repairs and Maintenance         |
|                                      | Certificate in Security Services                                    |
|                                      | Basic Certificate in Landscape Maintenance                          |
|                                      | Industrial Machine Maintenance (2yrs)                               |
|                                      | Food Production   |
|                                      | Restaurant Bar Service  |
| <b>Full Time</b><br><b>(8mths)</b>   | Certificate in Computer Applications                                |
|                                      | Certificate in Network and Data Cabling                             |
|                                      | Certificate in Computer Peripherals Repairs and Maintenance         |
| <b>Diploma Full Time</b>             | Business Administration - SIAST                                     |
|                                      | Mechanical & Electrical Engineering                                 |
|                                      | Civil Engineering   |
|                                      | Building Services   |
| <b>Certificate Full Time (8mths)</b> | Certificate in Hairdressing   |
|                                      | Certificate in Beauty Care  |
|                                      | Certificate in Massage  |



|   |                                 |
|---|---------------------------------|
| <b>PART TIME</b><br>(from January to as at<br>date) | Basic Electricity & Electronics |
|   | Hydraulic and Pneumatics        |
|   | Computer Repairs & Maintenance  |

### **PROPOSED NEW COURSES FOR 2010**

- Higher National Diploma (HND) in Sport, Entertainment and Leisure Management
- National Certificate level 2 course in Automotive Mechanics
- National Certificate level 2 course in Electrical Installation Works
- Diploma in Electrical and Electronics Engineering
- Diploma in Logistics and Operations Management
- Diploma in Mechatronics
- Diploma in Hairdressing (City and Guilds)
- Diploma in Beauty Therapy (City and Guilds)

### **PQNo.B/1120**

#### Appendix II

I would first like to clarify that there are two known G20 groupings. One is concerned with WTO-related issues while the other, which is an expansion of the G8, is focused on global economic governance.

The first Group of 20 was set up in 2003, in the context of the WTO negotiations of the Doha development agenda. This group is composed mainly of large developing countries such as India, Brazil, China, Indonesia and Malaysia and has, as objective, to develop common positions in the WTO negotiations. The initial target of the Group was the agriculture negotiations at the WTO but its mandate has since been extended to also cover other areas of the negotiations, in particular non-agricultural market access. The failure of the WTO Ministerial Conference held in Cancun in 2003, was largely attributed

to the unified position of this Group of 20.

It should be noted that the interests of small island developing states do not necessarily converge with this grouping of large economies. Notwithstanding, Mauritius and other small island developing states, as members of the ACP group and the G90, collaborate with the G20 to find common ground on issues in the context of the WTO negotiations.

Another G-20 is the group of twenty Finance Ministers and Central bank Governors created in 1999, in response both to the financial crises of the late 1990's and to better reflect the growing clout of emerging economies in global economic governance. This Group is an expansion of the G8 and is composed of countries which together represent some 80-85% of world trade, almost 90% of the global gross national product and two thirds of the world's population. The Group now also meets at Summit level since November 2008, (Washington Summit) in the wake of the financial crisis.

The countries in this group are: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, United Kingdom, and United States of America. The G20 also comprises the European Union which is represented by the rotating Council Presidency, the European Commission and the European Central Bank.

The Managing Director of the International Monetary Fund (IMF) and the President of the World Bank, and the chairs of the International Monetary and Financial Committee and Development Committee of the IMF and World Bank, also participate in G-20 meetings on an *ex-officio* basis to ensure global coordination on economic issues between institutions. NEPAD is an observer at the G-20 meetings.

Following the last Summit of the G20 in Pittsburgh, USA, it was decided that the G20 would now act as the permanent council for international economic cooperation. However the G8 would continue to meet to discuss major security or other policy issues.

While no island developing state is represented within the G-20, Mauritius has worked both at the bilateral and at the multilateral level to sensitise the G20 to its concerns both as a small island developing state and as part of Africa.

Hence, ahead of the G20 London Summit in April this year, I met with Hon. Mark Malloch Brown, U.K Minister for Africa, Asia and the UN (28 January 2009) and specifically requested the Minister to invite the attention of the G-20 members to the concerns of Small Island Developing States, particularly as regards climate change, food security and access to concessionary financing.

In March of this year, I also met with Hon. Trevor Manuel, the then Minister of Finance of South Africa who was also the spokesperson for Africa to the G-20 London Summit. I expressed the same concerns as I had to Minister Malloch Brown. I also highlighted the need for the G-20 to give serious consideration to the development of

additional and flexible instruments with a view to supporting restructuring efforts and improving economic resilience of countries. In this context, I made specific mention of the development of an Africa Restructuring Facility and of a Short Term Liquidity Facility. Let me note that SADC also puts across its concerns to the G20 through South Africa.

As part of the efforts made at bilateral level to convey the concerns of Mauritius, my colleague, the Vice Prime Minister and Minister of Finance and Economic Empowerment also met, ahead of the London Summit, with his counterparts and high level officials in France (G 20 member), Belgium, Luxembourg (EU countries) and with the EU Commission with a view to explaining the legal and regulatory system relating to the financial sector in Mauritius as well as on other issues.

At multilateral level, Mauritius has also been active in pushing its concerns through collective positions adopted at the level of the African Union, through the Commonwealth, the Francophonie, the Alliance of Small Island Developing States (AOSIS) and through the TICAD IV process, amongst others. Thus, the African Union message to the London Summit emphasises the need for additional and flexible liquidity facilities for budget support, stimulus packages and trade financing as well as the need for social protection of the poor.

Mauritius voiced out similar concerns at the joint preparatory meeting organized by the Commonwealth and la Francophonie and at the TICAD IV Ministerial Follow Up Meeting held in Botswana ahead of the London Summit. The TICAD IV Ministerial Message, carried by Japan, to the London Summit highlights the need for global initiatives to reactivate financial flows to Africa including concessional loans, stimulus packages and the creation of additional instruments and facilities aimed at supporting restructuring efforts and improving economic resilience. It also refers to the need for food and social safety nets in the context of the global economic and financial crisis.

The Communiqué of the London Summit shows that the concerns of Mauritius and other small island developing states as well as the concerns of Africa did not go unnoticed by the G-20. The London Summit agreed to make available an additional US\$850 billion of resources through the global financial institutions to support growth in developing countries by helping to finance counter-cyclical spending, bank re-capitalisation, infrastructure, trade finance, providing balance of payment support and social support amongst other things. The London Summit also makes specific reference to Aid for Trade for Sub-Saharan countries. It further re-affirms global commitment to address climate change issues on the principle of common but differentiated responsibilities.

Let me recall that at the London Summit, the Right Hon. Douglas Alexander, UK Secretary of State for International Development announced that Britain was planning to give £300 million for business in developing countries through the World Bank Global Trade Liquidity Programme. He specifically mentioned that some nine countries including Mauritius would be included in the first phase of this programme (Seychelles, Malawi, Mozambique, Zambia, Kenya, Nigeria, Angola and Ghana are the

other countries included in the first phase).

I would like to add that the outcome of the G20 London Summit has helped the European Commission to devise a package of assistance, including the Vulnerability Flex (V-FLEX) to help ACP States cope with the impact of the financial crisis. The EU is also proposing in the context of the ongoing Second Five Year Review of the Cotonou Agreement to transform the traditional FLEX into a new instrument to address instability in earnings resulting from exogenous shocks. Let me underscore that a sum of Euros 10.9 million has been attributed to Mauritius under V-FLEX for the year 2009, the disbursement of which is expected to take place by next month.

The Pittsburgh Summit benefited from inputs of the Alliance of Small Island Developing States (AOSIS), and the United Nations General Assembly. The AOSIS which held a Climate Change Summit on 21 September 2009, and the UN General Assembly which organized a one-Summit on climate change on 22 September last, sent a strong signal to world leaders attending the Pittsburgh G20 Summit and the forthcoming Copenhagen Summit on the urgent need to address climate change issues and in particular, the negative impact on small island developing states. The Leaders' Statement at the Pittsburgh Summit does indeed highlight the need for strong action to address global energy and climate change challenges.

Some of the other outcomes of the Pittsburgh Summit are also in keeping with our norms, namely the need to create a global Agriculture and Food Security Programme, to adopt bold and coordinated action to promote sustainable growth and recovery from the current crisis, the creation of a 21<sup>st</sup> century International Economic Architecture, the creation of a Small and Medium Enterprise Finance Challenge to small business development and support for the vulnerable. We look to these commitments being translated into action.

While indeed Mauritius is not a member of either of the Group of 20 mentioned, we nonetheless continue to pursue our efforts both at bilateral and at multilateral levels, with a view to sensitising these groups to our concerns as a small island developing state and as Africa.