



**SIXTH NATIONAL ASSEMBLY**

**PARLIAMENTARY**

**DEBATES**

**(HANSARD)**

**(UNREVISED)**

**FIRST SESSION**

**TUESDAY 18 APRIL 2017**

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**THE CABINET****(Formed by Hon. Pravind Kumar Jugnauth)**

Hon. Pravind Kumar Jugnauth	Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development
Hon. Ivan Leslie Collendavelloo, GCSK, SC	Deputy Prime Minister, Minister of Energy and Public Utilities
Hon. Sir Anerood Jugnauth, GCSK, KCMG, QC	Minister Mentor, Minister of Defence, Minister for Rodrigues
Hon. Showkutally Soodhun, GCSK	Vice-Prime Minister, Minister of Housing and Lands
Hon. Seetanah Lutchmeenaraidoo, GCSK	Minister of Foreign Affairs, Regional Integration and International Trade
Hon. Yogida Sawmynaden	Minister of Technology, Communication and Innovation
Hon. Nandcoomar Bodha, GCSK	Minister of Public Infrastructure and Land Transport
Hon. Mrs Leela Devi Dookun-Luchoomun	Minister of Education and Human Resources, Tertiary Education and Scientific Research
Hon. Anil Kumarsingh Gayan, SC	Minister of Tourism
Dr. the Hon. Mohammad Anwar Husnoo	Minister of Health and Quality of Life
Hon. Prithvirajsing Roopun	Minister of Arts and Culture
Hon. Marie Joseph Noël Etienne Ghislain Sinatambou	Minister of Social Security, National Solidarity, and Environment and Sustainable Development
Hon. Mahen Kumar Seeruttun	Minister of Agro-Industry and Food Security
Hon. Ashit Kumar Gungah	Minister of Industry, Commerce and Consumer Protection
Hon. Ravi Yerrigadoo	Attorney General
Hon. Jean Christophe Stephan Toussaint	Minister of Youth and Sports
Hon. Soomilduth Bholah	Minister of Business, Enterprise and Cooperatives
Hon. Marie Roland Alain Wong Yen Cheong, MSK	Minister of Social Integration and Economic Empowerment

Hon. Mrs Fazila Jeewa-Daureeawoo	Minister of Gender Equality, Child Development and Family Welfare
Hon. Premdut Koonjoo	Minister of Ocean Economy, Marine Resources, Fisheries and Shipping
Hon. Soodesh Satkam Callichurn	Minister of Labour, Industrial Relations, Employment and Training
Hon. Purmanund Jhugroo	Minister of Local Government and Outer Islands
Hon. Marie Cyril Eddy Boissézon	Minister of Civil Service and Administrative Reforms
Hon. Dharmendar Sesungkur	Minister of Financial Services, Good Governance and Institutional Reforms

**PRINCIPAL OFFICERS AND OFFICIALS**

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Deputy Chairperson of Committees	Jahangeer, Hon. Ahmad Bashir
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**MAURITIUS**

**Sixth National Assembly**

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**FIRST SESSION**

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**Debate No. 04 of 2017**

**Sitting of 18 April 2017**

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

**The National Anthem was played**

*(Madam Speaker in the Chair)*

**PAPERS LAID**

**The Prime Minister:** Madam Speaker, the Papers have been laid on the Table –

**A. Office of the Speaker**

Declaration of Interest in relation to PQ B/264 – Dr. the Hon. M. R. Sorefan. (In Original)

**B. Prime Minister's Office**

- (a) Digest of Road Transport and Road Accident Statistics 2015.
- (b) Virement Warrant No. 1 of 2016-2017. (In Original)
- (c) Virement Warrant No. 2 of 2016-2017. (In Original)
- (d) Virement (Contingencies) Warrant Return – Quarter 1 (July-September 2016)  
Nos. 1 to 3 of 2016-2017. (In Original)
- (e) Virement (Contingencies) Warrant Return – Quarter 2 (October-December 2016)  
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- (f) Virement Certificate Return - Quarter 1 (July-September 2016) – Vote/Sub Head  
1-4, 1-6, 1-12, 2-111, 8-1, 19-1, 22-1, 23-2. (In Original)
- (g) Virement Certificate Return - Quarter 2 (October-December 2016) –  
Vote/Sub Head 1-2, 1-6, 1-7, 1-8, 1-9, 1-15, 2-103, 2-106, 2-112, 2-2, 2-3,  
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23-2, 24-1, 25-1, 26-1, 27-1, 28-1. (In Original)

**ORAL ANSWERS TO QUESTIONS****FRAUD & CORRUPTION – DRAFT BILLS**

**The Leader of the Opposition (Mr X. L. Duval)** (*by Private Notice*) asked the hon. Prime Minister, Minister of Home Affairs, External Communication and National Development Unit, Minister of Finance and Economic Development whether, in regard to the fight against corruption, he will state the progress achieved in relation to the proposed introduction in the Assembly of legislation therefor, as announced in the Government Programme 2015-2019 in the Address by the President of the Republic of Mauritius, excluding the Good Governance and Integrity Reporting Act.

**The Prime Minister:** Madam Speaker, as the House is aware, a series of measures were announced in the Government Programme 2015-2019 to fight fraud, corruption, malpractices and irregularities in all aspects of public life as enunciated at paragraphs 246, 248, 249 and 263.

Madam Speaker, the House will recall that the Presidential Address was delivered on Tuesday 27 January 2015 when the hon. Leader of the Opposition was Deputy Prime Minister. And he remained Deputy Prime Minister until his resignation from Government as recently as in December 2016.

During his tenure of office as Deputy Prime Minister, he chaired a Ministerial Committee on Electoral Reforms set up in January 2016 to make recommendations including on Financing of Political Parties Bill.

Madam Speaker, the Ministerial Committee was set up in January 2016 to examine the different aspects of our electoral system and make appropriate recommendations for reform, including -

- (i) anti-defection measures;
- (ii) the widening of the powers of the Electoral Supervisory Commission, and
- (iii) the Financing of Political Parties.

Madam Speaker, Government has pledged to introduce an anti-defection legislation and, as a matter of fact, this issue has been included in the Terms of Reference of the Ministerial Committee which has been set up to make recommendations on electoral reform.



As the House is also aware, following the resignation of the former Chairperson, the Ministerial Committee has been reconstituted, with the Minister Mentor as Chairperson. For this reason, the work of the Committee has been delayed. I am informed that the Committee will address all the issues I mentioned earlier.

Madam Speaker, I would like to point out, however, that anti-defection measures may give rise to complex issues.

Madam Speaker, in regard to the financing of political parties, as the House is aware, the then Ministerial Committee had already submitted its proposals on this issue, and the Attorney General's Office has been requested to prepare a draft Bill based on the Committee's proposals. I am advised that the Attorney General's Office has sought further instructions regarding a number of new issues that will have to be thrashed out by the Ministerial Committee before the Bill may be finalised.

The issues relate to the following, amongst others -

- (i) the extent and scope of the new powers to be vested in the Electoral Supervisory Commission;
- (ii) the transparency and disclosure rules that will apply;
- (iii) the mechanism for the control of Party's Campaign expenditure;
- (iv) the sanctions and penalties to be imposed;
- (v) the limits set and the mode of making anonymous donations, and
- (vi) whether certain provisions of the Prevention of Corruption Act and Financial Intelligence and Money Laundering Act should be amended.

Madam Speaker, the Bill on the financing of political parties will be finalised once these issues are cleared.

Madam Speaker, in regard to the commitment of the Government to come up with a new Declaration of Assets Act, in reply to PQ B/1028 on 29 November 2016, the House was informed by the former Prime Minister that a Ministerial Committee was examining the different aspects of a new regime for the declaration of assets.

I am informed that the Ministerial Committee is left with only a few issues to be thrashed out before finalising its report.

I wish to reassure the House that Government will fulfill its commitment and introduce the Bill as soon as it is ready.

Madam Speaker, I am further informed that the ICAC has developed a Draft Code of Conduct for Members of the National Assembly, including Ministers. The Draft Code is intended to provide strict guidelines for the conduct of Members of the National Assembly as well as public officials.

In parallel, in line with paragraph 248 of the Government Programme 2015-2019, the Ministry of Civil Service and Administrative Reforms has also developed a Draft Code of Conduct for Ministers. I understand that amongst its many provisions, this Draft Code includes the issue of acceptance of free travel.

The ICAC has set up a Working Committee to examine the provisions of the two Draft Codes with a view to determining whether they should be harmonised or merged. The Working Committee comprises representatives from my Office, the Solicitor-General's Office, the Ministry of Civil Service and Administrative Reforms, the National Assembly and ICAC.

And I am also informed that the Prevention of Corruption Act, which was enacted in April 2007 and which has been in existence for now nearly 15 years, is being reviewed. Now, with a new management in place since July 2016, a committee was set up at the level of ICAC to carry out an in-depth review of the Prevention of Corruption Act in order to strengthen the legislative and institutional framework so that it responds to emerging challenges in fighting financial crime. A first draft is being finalised and will be submitted to the Parliamentary Committee for its consideration in the near future.

Madam Speaker, paragraph 246 of the Government Programme 2015-2019 provides that, I quote -

“Government has a mandate for change and will relentlessly fight fraud, corruption and financial crime. To that effect, a Financial Crime Commission will be set up to act as an apex body to oversee the ICAC, the Financial Intelligence Unit and the Enforcement Department of the Financial Services Commission.”

Madam Speaker, the former Minister of Financial Services, Good Governance and Institutional Reforms had the responsibility of coming up with the Financial Crime Commission, but he has failed to do so.

I have requested, therefore, the new Minister of Financial Services, Good Governance and Institutional Reforms to look into this issue as a matter of urgency and to give drafting instructions to the Attorney General's Office.

Madam Speaker, similarly, a draft Fraud Bill was under discussion and the Law Reform Commission has produced a report thereon. After comments from the Attorney General's Office and request for drafting instructions from the Ministry of Financial Services, Good Governance and Institutional Reforms since 11 July 2016, no such instructions were received.

I have again requested the new Minister of Financial Services, Good Governance and Institutional Reforms to look into the matter and issue drafting instructions.

Madam Speaker, as announced in the Government Programme 2015-2019, the process of tendering procurement and contract allocation and management is continuously being reviewed to ensure greater transparency and prevent corrupt practices in the allocation of contracts in the public sector, the recent one being the need to require the approval of the CPB with respect to variation of major contracts.

Furthermore, a new process for e-procurement system has been introduced to reduce human interaction in the tendering procedures and prevent potential for fraud and corruption.

In addition, a Code of Conduct on procurement for public officials was issued jointly by ICAC and the PPO to clarify the role and responsibilities of public officers in carrying out procurement activities.

At the level of the Mauritius Revenue Authority (MRA), the following measures have been taken to prevent any corrupt practices at the level of Customs, VAT and Income Tax -

- (1) electronic filing and electronic payment of Bill of Entry, VAT and Income Tax returns;
- (2) examination of goods at the level of MRA Customs is being carried out under CCTV cameras;
- (3) Hotline Electronic Platform to report complaints and corrupt practices;
- (4) An Internal Affairs Division has been set up within the MRA to conduct enquiry into alleged cases of malpractices by officers of MRA;

At the international level, Mauritius has joined the OECD Base Erosion and Profit Shifting (BEPS) Inclusive Framework in November 2016 and has committed to meet the

international standards to combat international tax evasion and thereby preventing fraud and malpractices by international operators.

In our relentless fight against drugs and drug trafficking, which often give rise to corruption, we have adopted a zero tolerance policy. The House is fully aware of the recent detection and seizures of great quantities of drugs. Such results are only the harbinger of still greater surveillance and proactive exchange of intelligence and further results to come.

Madam Speaker, Rome was not built in one day. We mean business and vital and sensitive legislation and related measures to fight corruption cannot materialise overnight, as we need at all times to guard against unintended consequences.

Due care and caution are, therefore, required to ensure that there is no loophole in the legislation and in the measures to be implemented. Work is progressing smoothly and we will deliver all that we have promised in the Government Programme.

Madam Speaker, indeed, we promised to deliver and we will deliver what we promised.

*(Interruptions)*

**Mr X. L. Duval:** It's a bit early for clapping, I think. Madam Speaker, just words and no action! This is what paragraph 248 of the Presidential address, says, Madam Speaker.

“Government will eradicate fraud, corruption [...] in all aspects of public life [...]”

Meanwhile, *le pays a dégringolé de cinq places* in Transparency International Corruption Perceptions Index. My first question is this, Madam Speaker. Since the hon. Prime Minister has talked about PoCA, is he going to amend the Prevention of Corruption Act to include the President as a public official, thereby doing away with his or her - it will apply to anyone - immunity?

**The Prime Minister:** Madam Speaker, I have just mentioned in my reply that there is a committee at the level of ICAC which is looking at all the aspects of the legislation, and that we will be making proposals with regard to the review of the Prevention of Corruption Act. Let us wait for those recommendations. Government, of course, will look into those recommendations, and whatever needs to be added on top of that, we will look into that.

**Mr X. L. Duval:** Madam Speaker, I would like to ask the hon. Prime Minister if he could seriously consider including the President in that definition of public official. Now, Madam Speaker, with regard to *trafic d'influence*, I would like to ask the hon. Prime Minister

whether he will include MPs that may be bought to cross the floor and join the Government in return for a ministerial post or PPS. Will he include that under the Prevention of Corruption Act, so that ICAC can investigate, and even make it retroactive?

**The Prime Minister:** Madam Speaker,...

*(Interruptions)*

**Madam Speaker:** Hon. Bhagwan, please!

*(Interruptions)*

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

**The Prime Minister:** The Leader of the Opposition is now very concerned with the issue of *transfuge*...

*(Interruptions)*

Always! Maybe, he has forgotten. Let me remind him that he was a member of the Labour/PMSD Government, initially MSM also, and then when we left the Government, there were three Members who crossed the floor from the MSM, namely Mireille Martin, Jim Seetaram and Pratibha Bhola. Now...

*(Interruptions)*

The hon. Member bought six?

**Madam Speaker:** Hon. Thierry Henry! Hon. Ms Sewocksingh, please don't disrupt the debate!

*(Interruptions)*

**The Prime Minister:** Hon. Henry is saying that they have bought six. Well! We all know what happened and, therefore, we have been the victims of crossing the floor. We are very concerned with that issue and, therefore, we have been looking at legislation. In fact, the hon. Member...

**Madam Speaker:** Hon. Abbas Mamode, don't interrupt, please!

**The Prime Minister:** The hon. Leader of the Opposition was himself chairing a committee and there was a proposal with regard to the amendment to be brought to the Rodrigues Regional Assembly, and we have looked into that with regard to whether the recommendations that were made would stand the test of constitutionality.

I must say there are very complex issues and we are still looking at it. Eventually, if we are able to come up with such legislation, I believe that would be in the interest of all parties concerned.

**Mr X. L. Duval:** Madam Speaker, the hon. Prime Minister may not be aware that the law on Rodrigues was approved by the State Law Office and sent to Cabinet and it was removed at the request of the then Prime Minister from the final Bill.

Madam Speaker, I would like to say that, in the last electoral manifesto, *L'Alliance Lepep* came up very strongly about *une loi anti-transfuge*. So, there is no use coming back to the previous Government! What the previous Government did is of no concern to the hundreds of thousands of people who have voted for this Government and who are listening on television now. *Une loi anti-transfuge* was in the electoral programme, Madam Speaker, and this is why the people of Mauritius want to know why that is not being done, firstly in terms of Anti-Defection Bill and, secondly, in terms of including under PoCA, where surely there cannot be any constitutional issues.

**The Prime Minister:** With regard to the first issue that has been mentioned by the hon. Leader of the Opposition, as I have said, true it is that recommendations have been made when he was chairing that committee. But let me correct him, that after...

(Interruptions)

Yes, I will correct him! He should listen!

After the matter has been looked at by the State Law Office, there were a number of legal issues that had arisen and that were sent back to the committee for us to review. This is the exact situation. It is not for not wanting to bring such legislation, Madam Speaker. Now, with regard to the second issue, yes, the hon. Leader of the Opposition is talking about anti-defection law. Again, he has been in Government between 2005 and 2010. He has not been able to bring a...

(Interruptions)

Yes! We are not yet...

(Interruptions)

**Madam Speaker:** Order! Order, please! Hon. Mrs Perraud! What is it? You are not allowed to make comments from a sitting position!

**The Prime Minister:** I admit, Madam Speaker, that, up to now, we have not been able to bring a Bill before the House. Yes! Why am I saying this? Because he knows very well the complexity of this matter! He has been in Government also.

*(Interruptions)*

He has been working on that. I know...

*(Interruptions)*

**Madam Speaker:** Order!

*(Interruptions)*

Order! Order, please!

*(Interruptions)*

**The Prime Minister:** Madam Speaker, let me say, it is not only when you have been in Government previously...

*(Interruptions)*

**Madam Speaker:** Hon. Bhagwan!

**The Prime Minister:** The MMM! What *sharam* are you talking about? We have been together in Government in 2000-2005, concerning anti-defection, we have been looking at it, but we have not been able to come up with a Bill. Do you know why? Because it is a very complex issue! Some countries which have adopted anti-defection legislation have, unfortunately, ended up with more problems than solutions. Therefore, we constantly need to look at it and we welcome, if there are, proposals or any ideas; of course, we are open. We will look into that.

*(Interruptions)*

**Madam Speaker:** Hon. Bhagwan!

**The Prime Minister:** No, we will look into that!

**Madam Speaker:** Hon. Bhagwan, it is the third time that I am drawing your attention. I will be very patient, but then mind you!

**Mr X. L. Duval:** Madam Speaker, it is one thing about not being able to pass a law, but it is another thing in going completely against the spirit of the *Alliance* Electoral Manifesto in taking five *transfuges* into the Government, and the people can judge that,

Madam Speaker! As far as Rodrigues is concerned, I maintain that it was approved by the SLO and then there were some comments and we forgot about it at the request of the then Prime Minister, Madam Speaker. Madam Speaker...

**Madam Speaker:** Hon. Leader of the Opposition, I will just draw your attention to the fact that you are not allowed to mention things which are by nature secret and which have been the subject of discussions between Ministers when you were in Government, please!

*(Interruptions)*

**Mr X. L. Duval:** Madam Speaker...

*(Interruptions)*

... we are talking about freedom of information!

*(Interruptions)*

Madam Speaker, again, what is the point of freedom of information...

*(Interruptions)*

Madam Speaker...

*(Interruptions)*

**Madam Speaker:** Order, please!

*(Interruptions)*

Order!

**Mr X. L. Duval:** Madam Speaker, in April 2016, a whole year ago Government approved my committee's work on financing of political parties. Completely approved it! It was sent to the SLO and it has been lying there for one year. We have time for the Prosecution Commission Bill; in two hours, it can come to Government, but for the Financing of Political Parties, one year and the SLO is still working on it, Madam Speaker! Does the hon. Prime Minister find that acceptable?

**The Prime Minister:** Let me maintain again what I have said, because the hon. Leader of the Opposition, maybe, is not aware when he has left Government, that there are legal issues which have arisen with regard to the provisions of the recommendations of the anti-defection proposals that were made.



Secondly, for the financing of political parties, I have just answered. I have said that the matter is being looked at and being finalised at the level of our committee, and is being worked out together with the views of the State Law Office. There are a number of things which I have mentioned, and I don't want to repeat again to lose the time of the House, amongst others, those issues that are now being looked at from the legal perspective. Once these are cleared, we will come to this House with the Bill.

**Mr X. L. Duval:** Madam Speaker, the hon. Prime Minister had beautiful words to say on procurement. In his own Finance Act of last year, he introduced clause 6 for the Central Electricity Board. There has been so much talk about that and it actually, Madam Speaker, allows the Board of the CEB to create companies, any number of companies it wants to create, and, Madam Speaker, section 6(3) says this –

“The Public Procurement Act shall not apply to any procurement exercise effected by a company set up under this subsection...”

It is here, if his memory is not good, I will table it!

*(Interruptions)*

I will table it!

*(Interruptions)*

**Madam Speaker:** Order!

*(Interruptions)*

Order, please!

*(Interruptions)*

Order, I said!

*(Interruptions)*

Hon. Jhugroo! Hon. Roopun!

*(Interruptions)*

Hon. Roopun, please!

*(Interruptions)*

Order, I said!

*(Interruptions)*

**Mr X. L. Duval:** It is his own Finance Act, so he cannot get away from answering, Madam Speaker. What is the rationale, the reason for this, because we are supposedly putting matters clean in terms of public procurement, and I can take Metro Express, but I will not do so.

*(Interruptions)*

**The Prime Minister:** Madam Speaker, I will look into this matter and I don't think...

*(Interruptions)*

No! I don't think that this is the interpretation that the hon. Leader of the Opposition is giving. But, okay, I will look into...

*(Interruptions)*

**Madam Speaker:** Hon. Thierry Henry, you keep interrupting! This is the second time I am drawing your attention once again!

*(Interruptions)*

**The Prime Minister:** I will look into the matter and, if need be, of course, either the Minister responsible for this issue will come up with a statement or I will give the explanation.

**Mr X. L. Duval:** We can all understand plain English, Madam Speaker. I will table it in case he has trouble finding it in the Finance Act. Madam Speaker, on the declaration of assets, I would like to ask the hon. Prime Minister when was the committee chaired by hon. Collendavelloo set up - I think it is about two years ago - and what has happened to this small amendment that was supposed to be made to a Bill that had already been finalised on declaration of assets?

**The Prime Minister:** It is not correct to say that a small amendment has to be made.

*(Interruptions)*

I don't know what was his intention when he was in Government, whether it would have been a small amendment! But we are...

*(Interruptions)*

... looking at the whole Bill and, Madam Speaker, I can tell the House that the Committee chaired by the hon. Deputy Prime Minister is going to finalise the working of this report pretty soon and, of course, it will have to be debated.

*(Interruptions)*

*Oui*, it will come soon!

*(Interruptions)*

**Madam Speaker:** No! Hon. Leader of the Opposition, when you ask your question, the hon. Prime Minister sits down and listens to your question! Now, when he is replying, you also should give him the opportunity to reply! Let's try to be fair.

*(Interruptions)*

**The Prime Minister:** Obviously, Madam...

*(Interruptions)*

**Madam Speaker:** Hon. Rutnah!

**The Prime Minister:** Obviously, Madam Speaker, I can't give an exact date as to when the matter will be finalised. First of all, the matter will be finalised, then it has to be discussed at the level of Cabinet and then we will seek the views of the stakeholders also probably, then we will come to the House.

**Mr X. L. Duval:** When? A question which his neighbour can surely remember! When the Committee was set up? That was the question!

*(Interruptions)*

**The Prime Minister:** It was in January 2016, I am informed.

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

*(Interruptions)*

**Mr Bhagwan:** Madam...

*(Interruptions)*

**Madam Speaker:** Hon. Sesungkur, what is it?

*(Interruptions)*

Hon. Sesungkur, please!

*(Interruptions)*

Hon. Roopun, this is the second time that I am drawing your attention to interruptions!

*(Interruptions)*

Yes, hon. Bhagwan!

**Mr Bhagwan:** Madam Speaker, the hon. Prime Minister has informed the House, the country and the nation of the intention of Government to come up with new legislation concerning this anti-corruption issue and ICAC has been given responsibility to work out the document. But, pending that, are we not seeing every Tuesday or even every day these big *potentats* in the parastatal bodies, Government-owned companies like the State Bank where we have a Chairperson, at the Mauritius Telecom, recently the Trust Fund, daily engaged in corruption, be it procurement, *jouissance*? So, can the hon. Prime Minister inform the House...

*(Interruptions)*

Can the hon. Prime Minister inform the House what immediate action he intends to take against these *potentats* who are earning millions of rupees? More than one million every month!

**The Prime Minister:** Madam Speaker, the hon. Member is making gratuitous allegations, just saying as usual blah, blah, blah!

*(Interruptions)*

The hon. Member can't even give evidence!

*(Interruptions)*

**Madam Speaker:** Order! Order!

*(Interruptions)*

Hon. Bhagwan!

*(Interruptions)*

**The Prime Minister:** No, he cannot...

*(Interruptions)*

**Madam Speaker:** Hon. Bhagwan!

*(Interruptions)*

**The Prime Minister:** He does not have anything to say!

*(Interruptions)*

**Madam Speaker:** Hon. Bhagwan!

*(Interruptions)*

Hon. Bhagwan, I have uttered your name four times. Right? When I am on my feet...

*(Interruptions)*

You have asked your question. But when I utter names, and four times, next time I will have to act.

*(Interruptions)*

Yes! Now, would you continue? Yes, hon. Prime Minister, you have finished?

**The Prime Minister:** Yes, Madam Speaker, the hon. Member is making general comments and general remarks instead of coming with specificities and show that he is serious. He should come with substance.

**Madam Speaker:** Hon. Baloomoody!

**Mr Baloomoody:** This Government was elected with 12 priorities to be executed in the first 3 months of this Government. Now, we are nearly 3 years of this Government. *Combattre la fraude et la corruption* –

*« La Declaration of Assets Act sera amendée pour inclure les propriétés acquises sous des prête-noms et la publication de toutes les informations dans la gazette du gouvernement. »*

Can I ask the hon. Prime Minister when does he intend to come with a Declaration of Assets Bill? Three months have passed, nothing has been done! In the meantime, we know what is happening in the country. Will these declarations be not only of MPs, but it will include also chairpersons of parastatal bodies, advisers to Ministers, and Directors and CEOs of Government-owned companies? So, can we know when Government intends to come with

this as an urgent matter and have these declarations made public, not to be kept in the drawer of the ICAC?

**The Prime Minister:** Madam Speaker, I am happy that the hon. Member is making such remarks today because the time will come when, within this mandate, we will come before this House with a Bill, and then I will remind him what he has said today.

*(Interruptions)*

**Madam Speaker:** Hon. Rutnah!

*(Interruptions)*

**Mr Rutnah:** Madam Speaker, may I refer to Government Programme 2005-2010, paragraph 30, I will paraphrase very quickly –

**Madam Speaker:** Yes, please quickly, hon. Rutnah because we are running out of time.

**Mr Rutnah:** They also took time to paraphrase!

**Madam Speaker:** No, I am sorry! I have said that we are running out of time! Ask your question quickly!

*(Interruptions)*

Hon. Baloomoody!

**Mr Rutnah:** Paraphrasing paragraph 30 –

“My Ministers will adhere to a Code of Ethics and Integrity and will invite senior public officials and managers of the private sector to do the same.”

Paragraph 31 –

“The law setting up the ICAC will be reviewed and the investigation and prosecution of fraudulent or corrupt acts will have to take place within a legal framework that is more certain and result-oriented.”

Can I ask the Rt. hon. Prime Minister ...

*(Interruptions)*

...and the only Prime Minister, whether from record, he can state to the House today, since 2005 to 2010 when the Leader of the Opposition was in Government, any of these happened?

*(Interruptions)*

**The Prime Minister:** Obviously, the record speaks for itself that this did not happen, but on the contrary, the then Prime Minister did the opposite of what is stated there.

*(Interruptions)*

**Madam Speaker:** Last question for the hon. Leader of the Opposition!

**Mr X. L. Duval:** International Organisations agree - I just quoted Transparency International - that corruption now in Mauritius is worst than ever! At a historical worst! I want to ask the hon. Prime Minister...

*(Interruptions)*

**Madam Speaker:** Order!

**Mr X. L. Duval:** You are the last to talk!

*(Interruptions)*

Now, I want to ask the hon. Prime Minister to give a commitment to the nation, a precise timetable, no beating about the bush, when all these laws that have been promised, including freedom of information, are going to come to this House to be debated and passed.

**The Prime Minister:** Madam Speaker, I have said in my reply that...

*(Interruptions)*

**Madam Speaker:** Hon. Ameer Meea!

*(Interruptions)*

Yes.

**The Prime Minister:** I have said that there are different committees looking at different Bills that we propose to bring before this House. Obviously, they are not matters which are simple; they are complex. That is why, in fact, previous Governments have not been able to bring those legislations before the House and, therefore...

*(Interruptions)*

If the hon. Member wants to speak in my place, he can speak!

*(Interruptions)*

**Madam Speaker:** Yes! Hon. Mohamed!

**The Prime Minister:** Making comments!

**Madam Speaker:** Please! Don't interrupt! We are running out of time already! I have given already five additional minutes!

**The Prime Minister:** And, therefore, Madam Speaker, I can assure the House that all those legislations, once they are finalised...

*(Interruptions)*

**Madam Speaker:** Hon. Bhadain! Please, proceed with your answer!

**The Prime Minister:** Pepsi party is making a lot of noise.

*(Interruptions)*

He needs a drink!

*(Interruptions)*

**Madam Speaker:** Order!

*(Interruptions)*

Order, on this side of the House! Hon. Jhugroo, please! Don't interrupt, hon. Jhugroo! Hon. Jhugroo! Yes!

**The Prime Minister:** So, therefore, as I said in my reply, Madam Speaker, once those Bills will be finalised at the level of Government, then they will be introduced in the House.

**Madam Speaker:** Time is over! PQ B/243 in regard to the Ministerial Committee on Electoral Reforms will be replied by the hon. Prime Minister, time permitting. Hon. Ameer Meea!



**TELEVISION (PRIVATE) – INTRODUCTION**

**(No. B/228) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to the proposed introduction of private television, he will state where matters stand.

**The Prime Minister:** Madam Speaker, in the Government Programme 2015-2019, it is clearly stated at paragraph 261, that private television broadcast will be permitted.

Madam Speaker, provisions already exist in the Independent Broadcasting Authority Act for the Authority to issue licences to private television operators. However, in reply to previous Parliamentary Questions, since 2008 the then Prime Minister informed the House on several occasions that one factor that has so far inhibited the advent of private television is section 19(3)(h) of the IBA Act restricting the limit of foreign shareholding in a company applying for a licence to 20%.

Madam Speaker, may I remind the House that one of the measures announced in my Budget Speech 2016/2017 relates to the merging of the regulatory bodies, namely, the Information Communication Technologies Authority (ICTA) and the Independent Broadcasting Authority (IBA), in order to adapt to the convergence of technology.

May I also remind that Government had agreed to the merger of the ICTA and the IBA, on account of technological convergence in the ICT and the broadcasting spaces. In line with the provisions of the Guidance Notes on Mergers of Public Sector Bodies issued by the Ministry of Finance and Economic Development in October 2016, a committee of officials, chaired by the Permanent Secretary, Ministry of Technology, Communication and Innovation and comprising representatives of the ICTA and the IBA is currently examining the different aspects and modalities of the merger exercise.

The committee will also rope in representatives of the Prime Minister's Office, the Ministry of Finance and Economic Development and the Attorney-General's Office in view of the fact that there are pertinent and technical issues to be addressed, including the types of licences and the penalties to be provided under the new proposed legislation.

The committee will make recommendations, as appropriate, to Government on the setting up of the new regulator with a new identity and new responsibilities and pave the way for the elaboration of the Broadcasting and Communications Authority Bill.

I wish to emphasize that it is proposed to review the foreign shareholding threshold of 20% under the new legislation with a view to attracting more applicants, especially foreigners to apply for private television licence.

Madam Speaker, I am informed by the Director of the IBA that in the years 2013 and 2014, the Authority had received letters of intention from four applicants (local and international), interested in the private television project. In addition, one individual and one company had also sought clarifications from the IBA in regard to the proposed setting up of private television in Mauritius.

I am further informed by the Director of the IBA that, the Board of the Authority, at its meeting held on 29 January 2014, decided that applications for private television licence to broadcast solely films, sports and entertainment programmes, should be invited from all interested parties so as to put all applicants on a level playing field. However, no such Expressions of Interest had been issued by the IBA.

Madam Speaker, I wish to reassure the House that my Government will stand by its commitment and make of private television in Mauritius a reality as has been the case for live broadcast of the proceedings of the National Assembly.

**Mr Ameer Meea:** Madam Speaker, this has been one of the numerous promises during the last electorate campaign. Let me quote quickly from the Electoral Manifesto in relation to this subject –

*« Nous introduirons la télévision privée, les chaînes de télévision privées pourront librement organiser des débats publics sur des questions concernant l'économie, la politique et l'actualité. »*

Clearly now, two and a half years have elapsed since this Government took office. My question to the hon. Prime Minister is: 'Did he or his Government have the political will to make this thing a reality'?

**Madam Speaker:** He has already replied.

**The Prime Minister:** Madam Speaker, just as in the case of live broadcasting of the work of the National Assembly, it was said that: 'Well, we are also just saying things and we are not really intended to do them.' Well, this is a reality today. I have explained that there are discussions with regard to the merger of the ICTA and the IBA for the reasons that I have spelt out in my answer. Now, there are recommendations that will come to Government.

Government will decide on the setting up of the new authority. I believe that then we will be in a situation to look at the applications, for example, whatever guidelines or criteria will have to be set by the authority in order to receive applications for the operation of a private TV.

**Mr A. Duval:** Can the hon. Prime Minister tell us whether it would be permitted to have foreign owners for the private television, so as foreign investors can invest in it or whether it would be kept solely for Mauritians. Secondly, whether for the criteria there will be...

**Madam Speaker:** Ask one question at a time!

**Mr A. Duval:**.... *les critères d'ancienneté.*

**Madam Speaker:** Only one question!

**The Prime Minister:** Well, I could only hear the first part of the question. This has been the issue, in fact, which was put forward by the then Prime Minister on numerous occasions that there is a limit of 20% shareholding by a foreign, either company or individual, and that was the reason why there was no interest or the IBA did not receive any application. I believe that would really deter interest from foreigners. I have replied in my answer that this issue will have to be looked at and certainly, we believe - but this will have to be discussed at the level of Government – that the threshold of 20% is, in fact, too low.

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

**PMO - MR G. S. - SENIOR ADVISER - OVERSEAS MISSIONS**

(No. B/229) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière) asked the hon. Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to Mr G. S., he will state the –

- (a) date and terms and conditions of appointment thereof as Senior Adviser at his Office, indicating the number of overseas missions attended, indicating in each case, the countries visited, purposes thereof and cost of participation thereto, and
- (b) parastatal bodies and/or State-owned companies of which he is a Chairperson or a Board Member, indicating in each case, the –
  - (i) date of appointment thereof;
  - (ii) remuneration and other benefits drawn, and
  - (iii) overseas missions attended, indicating in each case, the countries visited, purposes thereof and cost of participation thereto.

**The Prime Minister:** Madam Speaker, with regard to part (a) of the question, I wish to inform the House that Mr G. S. has been employed as Senior Adviser on a part-time contract basis as at 04 April 2016 in the Ministry of Finance and Economic Development. He offered his services without asking for any remuneration. Thus he worked for free for a period of 10 months at the Ministry.

Since 23 January 2017, he has been employed on a full-time basis on the following terms and conditions, which have been approved by the Ministry of Civil Service and Administrative Reforms and the Pay Research Bureau –

- (i) a flat monthly salary of Rs122,000;
- (ii) a monthly extra duty allowance of Rs50,000, and
- (iii) an entertainment allowance of Rs7,500 on a monthly basis.

The other terms and conditions are as follows –

- (i) Mr G. S. is entitled to an official car and petrol allowance on the same conditions as applicable for senior officials in the public service. He has, however, neither availed of an official car nor has he applied for a 100% duty remitted car;

- (ii) he is entitled to passage benefits at the rate of 5% of his annual salary, and
- (iii) after satisfactory completion of 12 months' service, he is entitled to a gratuity equivalent to two months' salary, and
- (iv) his leave entitlement is as per regulations in force in the civil service.

Madam Speaker, as regards part (b) of the question, Mr G. S. is the Chairperson of the Board of Investment since 03 March 2015 for a period of three years in accordance with section 4 of the Investment Promotion Act 2000. He draws an all-inclusive monthly allowance of Rs70,000.

On 30 June 2016, as former Chairperson of State Land Development Company, he was appointed Chairperson of Landscape (Mauritius) Ltd to implement the major merger exercise of the State Land Development Company, Business Park of Mauritius Ltd, State Property Development Co. Ltd, Les Pailles Conference Centre Ltd and Belle Mare Tourist Village Ltd. He is paid a monthly allowance of Rs70,000.

He is also the Chairperson of the subsidiaries of Landscape (Mauritius) Ltd, namely Cyber Properties Investment Ltd since 26 February 2017, Informatics Park Ltd and BPML Freeport Services Ltd as from 01 April 2017. He draws a monthly allowance of Rs20,000 for each entity.

I must say these appointments are of a temporary nature and will be reviewed once the merger exercise is completed.

As representative of Landscape (Mauritius) Ltd, Mr G. S. has been appointed Board Director of the Mauritius Multi-Sports Infrastructure Ltd since January 2017. Landscape (Mauritius) Ltd has provided the land to Mauritius Multi-Sports Infrastructure Ltd to implement the multi-sports complex project at Côte d'Or. He is paid a monthly allowance of Rs25,000. He is ...

*(Interruptions)*

**Madam Speaker:** Hon. Ameer Meea, keep your comment for yourself from a sitting position!

**The Prime Minister:** He is also the Chairperson of the Financial Services Promotion Agency since 01 of February 2017 following the resignation of Mr A. D., former Chairperson. We are currently reviewing the role of the Financial Services Promotion Agency and the Board of Investment. Changes in their organisation structure of both entities

are envisaged. He is, in the meantime, being paid the same monthly allowance as the former Chairperson, that is, Rs70,000.

*(Interruptions)*

**Madam Speaker:** Hon. Bhagwan, Please!

*(Interruptions)*

Hon. Ameer Meea!

**The Prime Minister:** In addition, Mr G. S is a member of the Board of the Tertiary Education Commission since 14 April 2015, for which he is entitled to a fee of Rs2,000 per sitting.

Madam Speaker, regarding parts (a) (i) and (b) (iii) of the question, the information is being tabled.

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

**Mr Bhagwan:** *Je suis troublé, comme beaucoup d'autres, en voyant les regards des ministres.* Madam Speaker, can I ask the hon. Prime Minister whether he has used his calculator to see the total monthly pay packet with all the responsibilities and whether it reaches nearly half a million or more with all the other facilities?

**The Prime Minister:** Madam Speaker, I have given all the information and I just heard the hon. Member saying that he has got a calculator. Now, whether his calculator does work or not, maybe he can calculate.

**Madam Speaker:** Hon. Bhagwan!

**Mr Bhagwan:** Can I ask the hon. Prime Minister whether this super *conseiller* is still an Adviser for the Government of Mozambique?

**The Prime Minister:** Well, he was an Adviser of the Government of Mozambique and, at that time, I believe that he was drawing a net salary of Rs500,000 as Senior Adviser to the Government of Mozambique. I believe he is no more a ...

*(Interruptions)*

Of course, *par mois!* What does the hon. Member think?

*(Interruptions)*

**Madam Speaker:** Hon. Ameer Meea, I have said that question from a sitting position is not allowed! Hon. Leader of the Opposition!

**Mr X. L. Duval:** I believe the hon. Prime Minister has not given the full information. He has not said that Mr Sanspeur, according to me, also has use of a BMW car from the Board of Investment, chauffeur-driven.

**The Prime Minister:** Well, I have replied that he is not availing himself of a car from Government and he has not taken any ...

*(Interruptions)*

Well, I'll check.

**Mr X. L. Duval:** The Prime Minister can check. It is of silver colour.

*(Interruptions)*

**The Prime Minister:** I will look for a silver BMW and try to see to it whether it is being used by Mr G. S.

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

**Mr Bhagwan:** On the same line, can the Prime Minister check whether he is also using an Audi Q5 or Q6 recently purchased for the post of Chairman of the State Land Development Co. Ltd and whether he has used it and is still using it?

*(Interruptions)*

**The Prime Minister:** Well, if the hon. Member can also give me, if he has, the Number Plate, then I will check.

*(Interruptions)*

And the colour as well!

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

*(Interruptions)*

Hon. Baloomoody, I had said several times that talking across the floor to another Member is not allowed. I am being very patient with all of you, but don't force me to take action! Yes, hon. Bhagwan!

**CHAMP DE MARS – SMS PARIAZ - LICENCE**

(No. B/230) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière) asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to SMS PARIAZ, he will, for the benefit of the House, obtain from the Gambling Regulatory Authority, information as to -

- (a) the category of the permit/licence recently issued thereto to operate at the Champ de Mars, indicating
  - (i) if the Mauritius Turf Club and/or any other stakeholders objected thereto, and
  - (ii) the names of the owner/s thereof, and
- (b) if any control is exercised on the betting outlets to avoid proliferation of betting.

**The Prime Minister:** Madam Speaker, in respect to part (a) of the question, I am informed that no licence has been issued recently to SMS PARIAZ Ltd to operate at Champ de Mars.

SMS PARIAZ Ltd is the holder of a Bookmaker Licence, since 18 August 2008, under section 44(4) of the Gambling Regulatory Authority Act. Under this licence, the company is authorised to conduct fixed odds betting on local races, through remote communication, *via* SMS only, at such place, outside the racecourse, as may be approved.

Operators offering betting through remote communication have to provide facility centres as part of their conditions of licence to allow their clients to manage their accounts. This comprises opening and closing accounts, making deposits and effecting withdrawals. No betting activities are possible or authorized in these facility centres.

I am informed that SMS PARIAZ Ltd has 20 such facility centres around the island, including one at Champ de Mars and it has paid the fees, as prescribed under the Third Schedule of the Gambling Regulatory Authority Act.

Madam Speaker, in reply to part (a) (i) of the question, I presume that the hon. Member is referring to the dispute between the Mauritius Turf Club and SMS PARIAZ Ltd regarding the dues and charges claimed by the former, and not on the issue of licence or permit, as stated by the hon. Member.



The contention between the Mauritius Turf Club and the SMS PARIAZ Ltd relates -

- (a) to the charge of 4.5% on its weekly turnover, which the Mauritius Turf Club has been imposing upon SMS PARIAZ Ltd, since 2014, and
- (b) the sum of Rs5.9 m. which the Mauritius Turf Club is claiming as unpaid dues from SMS PARIAZ Ltd for the racing season of 2016.

Whilst for the racing seasons of 2014 and 2015, SMS PARIAZ Ltd paid its dues, albeit under protest, to the Mauritius Turf Club, on the basis of 4.5% on its weekly turnover, in 2016, it paid its charges on the basis of 3.75% on its weekly turnover, i.e. on the same rate as paid by the Off Course Bookmakers. The Rs5.9 m., that the Mauritius Turf Club is claiming, represents the difference of 0.75% of the weekly turnover for 2016.

In 2017, the Mauritius Turf Club maintained the charge of 4.5% of the weekly turnover and in addition claimed the Rs5.9 m. supposedly owed to the club, whereas SMS PARIAZ Ltd maintained its stand and refused to pay either.

The charge of 4.5% on its weekly turnover and the dues of Rs5.9 m. are deemed as unfair and excessive by SMS PARIAZ Ltd, which has objected thereto.

SMS PARIAZ referred the matter to the Supreme Court which ruled on 17 March 2017 that the Gambling Regulatory Authority had the statutory powers to act in this case.

Thereafter, on 21 March 2017, taking into account the ruling of the Supreme Court and in view of the fact that the 2017 racing season was to start on 28 March 2017, the Gambling Regulatory Authority, under the powers vested upon it under section 100 of the incumbent Act, issued a directive to the Mauritius Turf Club, to the effect, and I quote -

“Pending a holistic review of the terms and conditions under which charges are paid pursuant to contracts under section 33(1) of the Act, the Mauritius Turf Club shall ensure that a charge payable by a bookmaker licensed under section 44(4) of the Act is aligned with a similar charge payable by a bookmaker licensed under section 44(2) (b) of the Act”.

As such, the directive required the Mauritius Turf Club to apply the same charges for similar category of operators, in this case, Off Course Bookmakers, until a complete review is carried out.

This stance of the Gambling Regulatory Authority is justified as further complaints have been received from bookmakers and totalisators as regards the charges imposed by the

Mauritius Turf Club. To address this issue the Gambling Regulatory Authority is commissioning an independent report on the charges imposed by the Mauritius Turf Club. The purpose of this exercise is to assess the fairness and reasonableness ...

**Madam Speaker:** Hon. Prime Minister, can I just interrupt you, not to go too much into the details of it, but to come strictly to the question, please!

*(Interruptions)*

**The Prime Minister:** I will just not answer part of the question and I will go straight if that is the wish of the Chair. Let me go straight then to the information that has been sought by the hon. Member with regard to part (a) (ii) of the question which is already available at the Registrar of Companies with the repository of such information. The Company has only one shareholder who is Mr Thandarayan Pazany and the Directors are -

- Mr Chan Kin Georges Kiansoo
- Mr David Jean Yannick Vivian
- Mr Dindyal Mahendranath
- Mrs Juste Marie Miriela
- Mr Lee Kam Chung Lee Cheng Hok, and
- Mr. Oochit Kamleshwarsingh.

In respect to part (b) of the question, with regard to SMS PARIASZ Ltd, controls on its betting outlets are exercised by the Gambling Regulatory Authority, the Mauritius Revenue Authority and the '*Police des Jeux*'.

SMS PARIASZ Ltd has no betting outlets as regards horseracing. Madam Speaker, as I mentioned earlier and at the risk of repeating myself, no betting activities are possible or authorized in the facility centres, owned by SMS PARIASZ Ltd.

In addition, the same rules and condition apply for SMS PARIASZ Ltd as regards betting outlets operated by other owners, namely -

- (i) in line with existing rules and conditions, minors are not allowed to bet;

- (ii) the operator is connected to the GRA Betting Control System which is located at the Mauritius Revenue Authority and where any suspicious or doubtful transactions are immediately queried;
- (iii) a series of conditions has to be followed when...

*(Interruptions)*

**Madam Speaker:** I am sorry. Hon. Ameer Meea, you are interrupting from a sitting position! Please, stand up and tell me what you have to say! If you have got a point of order, you can raise your point of order.

**Mr Ameer Meea:** The hon. Prime Minister is taking too much time for this question. It is a very long answer. He can table it.

**Madam Speaker:** Hon. Ameer Meea, allow me to tell you that it is for the Chair to rule out. If the question asked is not replied, then it is the responsibility of the Chair to see to it that the Prime Minister, at least, is given time to reply to his question. When he was being too long, I have interrupted him.

*(Interruptions)*

Now, it is not for you to decide. It is for the Chair to decide as to whether the reply is long or not. Yes, hon. Prime Minister!

**The Prime Minister:** Madam Speaker, the hon. Member should read part (b) of the question: if any control is exercised. This is what I am replying.

*(Interruptions)*

So, the hon. Member should listen again!

*(Interruptions)*

He should listen again!

I will repeat again. In addition, the same rules and conditions apply for SMS PARIASZ Ltd – in case you have not heard - as regards betting outlets operated by other owners, namely -

- (i) in line with existing rules and conditions, minors are not allowed to bet;
- (ii) the operator is connected to the GRA Betting Control System which is located at the Mauritius Revenue Authority and where any suspicious or doubtful transactions are immediately queried;

- (iii) a series of conditions has to be followed when opening an account with SMS PARIASZ Ltd. The applicant is required to -
  - (a) fill and sign a registration form;
  - (b) make a minimum deposit of Rs10;
  - (c) present/submit his ID card or passport, and
  - (d) provide a SIM card which is registered in his own name and which must be his primary SIM;
- (iv) regular inspections are carried out by the Gambling Regulatory Authority: the Inspectors of the Authority conduct inspections of the facility centres and the one principal place of business and nine outlets, as regards football betting, on a fortnightly basis. The purpose of these inspections is to ensure compliance to the conditions of the licence and the provisions of the incumbent Act;
- (v) when irregularities are noted, disciplinary actions are initiated as prescribed under the Section 99 of the GRA Act;
- (vi) the '*Police des Jeux*' carries out regular inspections and surveys of the facility centres as well as the betting outlets on a regular basis and establishes contraventions, as when required, and
- (vii) a responsible gambling framework has been introduced by the GRA to sensitise the general public on the dangers and hazards of gambling in general. The Framework is also intended to address the issue of punters displaying obsessive gambling behaviour. In addition, the Responsible Gaming Framework is based on the commitment of the Gambling Regulatory Authority and its licensees to the guiding value of ethical and responsible behaviour as regards gambling.

The Authority has also invited all football operators...

*(Interruptions)*

**Madam Speaker:** No interruptions, please!

**The Prime Minister:**... to register their employees and have until 31 July 2017 to comply. As from 01 August 2017, all football bookmaker clerks must hold a registration card

from the Gambling Regulatory Authority. In the event, a bookmaker clerk is caught not wearing his registration card....

*(Interruptions)*

**Madam Speaker:** Order!

**The Prime Minister:**... it would constitute a breach of the provisions of the Act and will entail disciplinary action against the licensee.

*(Interruptions)*

**Madam Speaker:** Hon. Members, I will just draw your attention since there are protests on this side of the House: Members should not send questions of excessive length and that...

*(Interruptions)*

Now, wait! What is this!

*(Interruptions)*

Wait! Order!

*(Interruptions)*

Order, I said! I am on my feet, please!

*(Interruptions)*

I have said that Members should not send questions of excessive length and I remind the Ministers, through the civil servants as well, that they don't give to their Ministers replies of excessive length as well. Yes, hon. Bhagwan!

**Mr Bhagwan:** Madam Speaker, now it is clear, all the names given by the hon. Prime Minister are *des prête-noms*. We all know the incestuous relationship between the owner of SMS PARIASZ, Mr Lee Shim and the Chairperson of the GRA who was an ex-candidate of the MSM.

*(Interruptions)*

**Madam Speaker:** Hon. Bhagwan, you are tabling your paper, right! Because if you make allegations, then you should be able to...

*(Interruptions)*

**Mr Bhagwan:** The Chairperson of the GRA, Mr Gulbul, was a candidate of the MSM. Can I ask the hon. Prime Minister whether he has been able to see whether there has not been a case of conflict of interest between the Chairperson of the GRA, who is a close friend of Mr Lee Shim, as he, himself, while discussing the whole issue, has been the lawyer of the SMS PARI AZ in a case before the Supreme Court? I am tabling the document in the case SMS PARI AZ v/s the Commissioner of Police, and here I see Mr Gulbul was representing Mr Lee Shim.

*(Interruptions)*

We all know Mr Lee Shim *est le bailleur de fonds du parti soleil.*

*(Interruptions)*

**Madam Speaker:** Please, table the document!

**The Prime Minister:** What nonsense this hon. Member is saying!

*(Interruptions)*

*Ale guet Ajay Guinness!*

*(Interruptions)*

**Madam Speaker:** Hon. Bhagwan!

*(Interruptions)*

No provocation, please!

*(Interruptions)*

Order!

*(Interruptions)*

Hon. Prime Minister!

*(Interruptions)*

Hon. Prime Minister, please cool down!

*(Interruptions)*

I will suspend the sitting!

*(Interruptions)*

Hon. Bhagwan, please!

*(Interruptions)*

On this side of the House, please! Now, if you continue with this, I will have to suspend the sitting. If you want this, then we will have to suspend the sitting. We have already run out of time. Another supplementary question and time is over.

**The Prime Minister:** I won't reply because we are talking about...

*(Interruptions)*

*Eta aller! Alle protez soulard pou condire loto! Pas honté!*

*(Interruptions)*

The hon. Member is making allegations. I have given the names. Madam Speaker, how would I know who are these people? He is saying that they are *prête-noms*. If he knows, he should give the information! He should be precise!

*(Interruptions)*

He should be precise! Don't come and say that they are *prête-noms*!

*(Interruptions)*

I can also say such things with regard to him!

With regard to the conflict of interest, I will look into it. I have not taken cognizance of the document that has been tabled in this House. I will look into it.

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

**Mr Bhagwan:** In the Commission of Enquiry Report on horseracing, mention was made of the connection of the bookmakers to the server, and SMS PARIASZ was not connected to the main server. Can I know from the hon. Prime Minister whether SMS PARIASZ is now connected to the main server of the GRA?

**The Prime Minister:** Where is this report which has concluded that it is not connected to whatever? Where is it? I have not seen it.

*(Interruptions)*

Well...

*(Interruptions)*

About what? Horseracing?

**Madam Speaker:** No, hon. Bhagwan!

*(Interruptions)*

He is not aware.

**The Prime Minister:** Madam Speaker, the hon. Member asked a question about SMS PARIAZ and whether it is operating at Champ de Mars. I have replied and said that it is not operating at Champ de Mars, with regard to the issue that has been raised, because it operates a system where you bet by SMS. The office that it has at Champ de Mars does not accept people to come and gamble and to bet with cash or in whatever way. So, I don't understand why he is now bringing other things which are not related to this.

**Mr Bhagwan:** This is related. It is in the Commission of Enquiry Report which has been tabled here, and mention was made that SMS PARIAZ did not pay. Even in the Report it is mentioned that SMS PARIAZ was not connected to the main server. The hon. Prime Minister was then Minister of Finance when he replied to a PQ under the MSM/Labour Government.

**The Prime Minister:** Madam Speaker, let me also remind the hon. Member that, with regard to the conditions that applied to SMS PARIAZ, the same conditions applied to Bet Online and Book Systems Ltd, which were licensed in 2002, under section 44(4) of the GRA Act, to conduct fixed odds betting on local races through remote communication by telephone only. And do you know who was the Minister of Finance then?

*(Interruptions)*

Hon. Paul Raymond Bérenger!

*(Interruptions)*

**Madam Speaker:** Order!

*(Interruptions)*

Order!

*(Interruptions)*

Order! No provocation, please!

*(Interruptions)*



Order, please! Order!

*(Interruptions)*

No provocation, please!

*(Interruptions)*

Do Members want me to suspend the sitting?

*(Interruptions)*

Hon. Bhagwan, do you want me to suspend the sitting? I have said 'no provocative remarks.'  
Please, let us have discipline in the House!

*(Interruptions)*

Let us have discipline in the House!

*(Interruptions)*

Time is over!

*(Interruptions)*

Order, please! Order!

*(Interruptions)*

No provocative remarks on this side as well!

*(Interruptions)*

Order!

The Table has been advised that PQ B/234 and B/237 have been withdrawn! Questions addressed to hon. Ministers! The Table has been advised that PQ B/284 in regard to the new HFO tank farm and associated pipeline project at Les Salines will be replied by the hon. Deputy Prime Minister, Minister of Energy and Public Utilities. Hon. Rughoobur!

*(Interruptions)*

Hon. Baloomoody, if we continue with this, there will be no discipline in this House! How can we continue with the works of this House if you continue to make provocative remarks?

### MAUBANK LTD – FINANCIAL STATEMENTS

**(No. B/234) Mr S. Bhadain (Second Member for Belle Rose & Quatre Bornes)** asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to the Maubank Ltd., he will –

- (a) for the benefit of the House, obtain from the Bank of Mauritius, information as to if it –
  - (i) has filed its last audited financial statements and, if so, table copy thereof, and
  - (ii) is compliant with the Capital Adequacy Ratio requirements as at 30 June 2016, and
- (b) state the amount of money –
  - (i) injected from the Consolidated Fund into Maubank Ltd., Maubank Holdings Ltd., the former National Commercial Bank Ltd. and the former Mauritius Post and Cooperative Bank respectively as at to date, and
  - (ii) that will be injected going forward in Maubank Ltd.

*(Withdrawn)*

### BRITAM HOLDINGS LIMITED – COMMISSION OF INQUIRY

**(No. B/237) Mr D. Ramful (Third Member for Mahebourg & Plaine Magnien)** asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to the Commission of Inquiry set up to investigate into the circumstances in which the shareholdings of the former BAI in Britam Holdings Limited were sold, he will state if consideration will be given for the Terms of Reference thereof to be varied to include the investigation into the circumstances that led to the revocation of the Banking Licence of the former Bramer Bank.

*(Withdrawn)*

### MOTORCYCLES – ROAD SAFETY

**(No. B/240) Mr S. Rughoobur (Second Member for Grand' Baie & Poudre d'Or)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to motorcycles, he will, for the benefit of the House, obtain from the Traffic Management and

Road Safety Unit, information as to the measures taken to prevent accidents involving riders thereof, since 2015 to date.

**Mr Bodha:** Madam Speaker, in my reply to PQ B/981, I informed the House that road safety is high on the agenda of Government and a National Road Safety Strategy for the years 2016 to 2025 has been adopted and being implemented.

In regard to motorcycles, it is to be pointed out that the number of motorcyclists killed is more than 45% of the road toll and more than 300 are seriously injured each year. To meeting the objective of 50% reduction in the number of killed and serious injury crashes, it is clear that two wheelers constitute a real challenge.

My Ministry is undertaking simultaneous actions, namely as regards to road infrastructure, vehicles and road users, to prevent accidents -

- A road crash investigation facility is being set up to understand the mechanism of road crashes.
- A road safety audit is being carried out to identify hazardous road sections and to propose treatment measures.
- Upgrading of footpaths and drains, construction of additional footpaths, provision of handrails, crash barriers throughout the island are underway.
- The programme to address the problem of night driving by improving public lighting is also in progress.
- Road carriers and construction companies will be sensitized on their responsibility for rehabilitating the road network after construction works.
- A series of road safety campaigns have been undertaken since year 2015, targeting motorcyclists.
- We have a sensitization programme on lighting and visibility, as part of the campaign "To see and to be seen".
- A partnership with SICOM for a monthly television programme also is being done.
- Following an in-house study, it is proposed that, as from 01 July 2017, all autocycles and motorcycles imported should be at least of Euro II standard and, as from 01 July 2020, of Euro IV standard.

- A scrapping premium is being considered to facilitate the renewal of the autocycle and the motorcycle park.
- A Road Risk Prevention Plan in the form of a Road Safety Charter is being worked out.
- We have also a road safety education programme in collaboration with my colleague.
- As you are aware, the Road Traffic Act has been amended for the introduction of stricter penalties.
- A reform of the legal framework is underway for the introduction of Driving Schools, including schools for Motorcycles and for Driving Instructors', as per international norms.
- Some four Motorcycle Driving Schools - *motoécole* - will be operational in the month of July and five others will be operational during the year.
- A first batch of 24 motorcycle driving instructors will be licensed in two months upon completion of some 840 hours of training. They will be employed by the new Motorcycle Driving Schools. A second batch of 40 driving instructors will be trained next year.
- Fifteen Police Examiners are being trained for examination of motorcycle learners for the driving licences.
- Some 150,000 current motorcycle learners will be gradually trained to provide them with skills during the coming five years.
- The Traffic Enforcement Squad of the Police has been reorganised with 40 riders.

**Mr Rughoobur:** The hon. Minister just stated the standards, that is, Euro II and Euro IV. May I know from the hon. Minister whether it is not appropriate to conduct a full investigation, in order to know what are the safety norms? We have got almost 200,000 motorcycles that have been imported. Doesn't he consider important to carry out a thorough investigation to know what are...

**Madam Speaker:** Hon. Member, please ask short questions!

**Mr Rughoobur:** Yes, Madam Speaker, I am coming to that.

**Madam Speaker:** And one question at a time!

**Mr Rughoobur:** Can the hon. Minister enlighten the House about the safety norms that are currently being practised?

**Mr Bodha:** Madam Speaker, in 2006, we had 138,000 motorcycles. In 2015, it has jumped up to 200,000. The problem is that 12,000 of these are more than 14 years old; 14,000 are even older. So, we have an issue as regard to the age and that is why we will come to the Ministry of Finance and Economic Development to see whether we can have some sort of a premium to encourage people to scrap their own motorcycles.

As regard to norms, we have done a study and come to the conclusion that we have on the international front motorcycles which are imported from China and which are not of Euro standard. That is why we have worked out a series of measures and we are implementing this new measure as from July 2017. We are going to ask the Ministry of Finance and Economic Development to introduce those amendments. As from July 2017, it is proposed that we should have at least Euro 2 standard and as from 2020, Euro 4 standard.

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

**Mr Rughoobur:** Can the hon. Minister confirm if sometimes back there was the proposal for fitness tests to be carried out for these motor vehicles as well? May I know what is the status now?

**Mr Bodha:** We are considering the possibility of doing those tests at the three fitness centres.

**Madam Speaker:** Hon. Armance!

**Mr Armance:** Thank you, Madam Speaker. May we know from the hon. Minister whether in regard to the electric cycles, motorcycles or bicycles, the hon. Minister intends to take measures to regulate same?

**Mr Bodha:** Yes, we are working with the State Law Office about that.

**Madam Speaker:** Hon. Shakeel Mohamed!

**Mr Mohamed:** Could the hon. Minister consider - as in other jurisdictions and one of them being Malaysia - to have motorcycle lanes just for motorcycles or two wheelers in some sensitive areas of Mauritius?

**Mr Bodha:** That is a very good suggestion, but the roads are very narrow in Mauritius. I think this can be done only in the new urban areas that we are going to develop, that is, we have lanes for pedestrians and lanes for two wheelers. We are trying to do something in Port Louis where we are going to remove all the parking and have three lanes on the main roads and the left lane will be allocated to the buses and to the two wheelers in Port Louis. We are trying this on a pilot basis.

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

### **NATIONAL TRANSPORT CORPORATION - DEBTS**

**(No. B/241) Mr S. Rughoobur (Second Member for Grand' Baie & Poudre d'Or)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the National Transport Corporation, he will –

- (a) for the benefit of the House, obtain therefrom, information as to the total debts thereof as at to date, indicating the quantum of the finance charges thereof for each of the financial years ending 2013, 2014 and 2015 respectively, and
- (b) state the measures that will be taken, if any, for the turnaround thereof.

**Mr Bodha:** Madam Speaker, with regard to part (a) of the question, I am informed by the National Transport Corporation that the total debts as at 31 December 2016 amounted to Rs685 m. of which Rs442 m. was owed to Government and Rs243 m. to Commercial Banks. As regard to the debts owed to Government, it dates back to 1980s where several loans totaling a sum of Rs154 m. were taken at different times. With accumulated interests, the balance has increased to Rs442 m., that is, the Government loan.

It is to be noted that the National Transport Corporation has made a request for these long outstanding Government debts to be converted into equity and this is currently being studied by the Ministry of Finance and Economic Development.

The loans contracted with the Commercial Banks are for acquisition of buses and are being serviced as and when they fall due.

I wish to inform the House that the National Transport Corporation acquired 100 semi-low floor buses in April 2016 without securing any new loan.

Madam Speaker, regarding the quantum of finance charges, I am informed that the National Transport Corporation incurred Rs35.5 m. for 2013, Rs34.7 m. for 2014 and Rs43.1 m. for 2015.

Finance charges accrued on the old Government debts amounted to Rs9.5 m. in 2013, Rs11.2 m. in 2014 and Rs12.6 m. in 2015. Finance charges on bank loans amounted to Rs26 m. in 2013, Rs23.5 m. in 2014 and Rs30.5 m. in 2015. The increase in finance charges from 2014 to 2015 is due to total disbursement of loan of Rs186 m. which was completed in early 2015 and full interest payment started in 2015.

It is to be noted that finance charges for 2016 on commercial loans have decreased to Rs22.4 m.

As regard to part (b) of the question, a number of measures have been and are being implemented towards the turnaround of the National Transport Corporation -

- several routes have been re-engineered;
- buses are being rescheduled to higher demand routes;
- we have a modernisation strategy;
- a business intelligent reporting tool;
- we are cracking down on illegal operators;
- vigorous marketing campaigns have been introduced on private hire to boost revenue;
- each Depot will now be run on a cost-effective/revenue and autonomous business unit. Hence, additional Regional Managers have been recruited;
- additional Conductors and Drivers were recruited in March 2017, and
- advanced training with foreign trainers is being dispensed to provide the drivers with a better performance at work and to impart knowledge on economical driving.

Madam Speaker, the Terms of Reference of the Study on the “Re-engineering of the Public Transport Industry in Mauritius” which was carried out by PriceWaterhouseCoopers is expected to give us the Final Report as regard to the NTC in the coming weeks.

**Madam Speaker:** Hon. Rughoobur!

**Mr Rughoobur:** Coming to the second part of my question, will the hon. Minister confirm that *sine qua non* condition for a turnaround is the appointment of a CEO at the earliest possible? Will the hon. Minister enlighten the House on this?

**Mr Bodha:** I totally agree, *mais l'oiseau est rare, Madame!*

**Mr Rughoobur:** May I know from the hon. Minister whether all the loans that have been taken at the level of SBM were all guaranteed by the Government?

**Mr Bodha:** No, they are guaranteed by the assets of the company.

**Madam Speaker:** Hon. Osman Mahomed!

**Mr Osman Mahomed:** Thank you, Madam Speaker. I have read the interview of Mr Georges Chung, Senior Adviser, and he said that the Metro Express will target specifically bus riders and motorcyclists - coincidentally the last two questions. Will that not impact adversely on the debts level which is already so high, because we are removing people from the bus?

**Mr Bodha:** The debts level is being reduced because the performance of the Corporation is better. We had only 40 per cent of the routes which were profitable and now it is above 50 per cent. I don't think that the targeting of the specific road users will have an impact because, as we said, we will have the perfect integration between the Metro Express and the bus system.

**Madam Speaker:** Hon. Fowdar!

**Mr Fowdar:** Thank you, Madam Speaker. In fact, I was going to ask the hon. Minister a question regarding the appointment of the CEO. I think this is long overdue. Is he looking at the reasons why he is not able to catch the rare bird?

**Mr Bodha:** The problem is we had a lady who was, in fact, a Civil Servant. She was the Officer-in-Charge, but when she was promoted she decided to come back to the service. I understand that it is not easy to have somebody in the transport management field, but we are working with SILT to see whether we can find somebody. So, we have a management team today and we will come with the advertising to see whether we can find the rare bird.

**Madam Speaker:** Hon. Ganoo!

**Mr Ganoo:** Can the hon. Minister confirm to the House, under the code Budget, financial support to bus companies, that funds are diverted through the NTA to bus companies and, in the case of the NTC, an amount of Rs288 m. is dished out to the NTC every year?



**Mr Bodha:** I don't have the exact amount which is paid to the NTC, but the NTC gets a third of this Bus Recovery Fund; a third of it goes to the other companies and another third goes to the individual bus owners. Anyway, the bus industry today, in spite of the huge subsidy of the Government, is not profitable.

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

*At 1.03 p.m. the sitting was suspended.*

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

**Madam Speaker:** Hon. Rughoobur!

**RÉUNION MAUREL - HEALTH AND RECREATIONAL CENTRE -  
CONSTRUCTION**

(No. B/242) **Mr S. Rughoobur (Second Member for Grand' Baie & Poudre d'Or)** asked the Minister of Health and Quality of Life whether, in regard to the construction of a Health and Recreational Centre at Réunion Maurel, in Petit Raffray, in 2014, he will state the amount of funds earmarked for the completion thereof, indicating where matters stand as at to date.

**The Minister of Arts and Culture (Mr P. Roopun):** Madam Speaker, with your permission, I am going to reply to this Parliamentary question.

I am informed that the Health Promotion and Recreational Centre project at Réunion Maurel, Petit Raffray was awarded by the National Development Unit (NDU) to Best Construct Co. Ltd. on 01 October 2014.

The value of the contract was Rs1,796,990.00, inclusive of VAT.

On 29 October 2014, the contractor informed that the structural designs of the building were not adequate and proposed to review them. On 21 November 2014, the contractor was requested to submit the revised designs for approval by the NDU. However, same were not submitted. I am further advised that the contractor has left the site and, so far, no payment has been made to him.

Subsequently, two site visits were held. The last one was held on 17 March this year, where officers from the Ministry of Health and Quality of Life and the NDU as well as hon. Rughoobur were present.

Madam Speaker, once the estimated cost and scope of works for completion of works is submitted by the NDU, this Ministry would earmark funds for the completion of the project.

**Mr Rughoobur:** Madam Speaker, I've got only one supplementary because I know that the hon. Minister is not the substantive Minister. This is the third time I am raising the issue in the House. May I request the hon. Minister to kindly request the substantive Minister to look into the matter and expedite things so that the project is completed once for all?

**Mr Roopun:** I will surely pass on the message to the substantive Minister. I am also sure that the PPS of the Constituency will follow up.

**Madam Speaker:** Hon. Jhuboo!

### **COTTEAU RAFFIN - MULTIPURPOSE COMPLEX - CONSTRUCTION**

(No. B/244) **Mr E. Jhuboo (Third Member for Savanne & Black River)** asked the Minister of Local Government and Outer Islands whether, in regard to the proposed construction of a Multipurpose Complex in the vicinity of the football ground of Cotteau Raffin, in La Gaulette, as suggested by the Village Council thereof, he will state if consideration will be given thereto.

**Mr Jhugroo:** Madam Speaker, I would like to thank the hon. Member for having put up this question which will give me the opportunity to highlight yet another case of mismanagement by the former Government which was in power from 2005 to 2014.

Madam Speaker, I am informed by the District Council of Black River that *Société Le Petit Morne Ltée* had in year 2005 donated to the then Government a plot of land of an extent of approximately 460 m<sup>2</sup> forming part of a *Morcellement* at Cotteau Raffin, for the construction of a Multipurpose Complex. The ceremony for the laying of the foundation stone for this project was held on 12 May 2005. Unfortunately, there was a change in Government in July 2005 and the then elected Government did nothing to start and implement the project. On the contrary, in August 2013, the plot of land was retrieved by the Ministry of Housing and Lands and the project was shelved.

Madam Speaker, the House may wish to note that, following a request from hon. Lesjongard, elected Member of Constituency No. 14 and also from hon. Ganoo, this Government is seriously contemplating to revive this project. I shall, in this context, request my colleague the Vice Prime Minister, Minister of Housing and Lands to look into the

possibility and arrange for the vesting of an appropriate plot of land in that area in my Ministry which will then be placed at the disposal of the Black River District Council for the proposed project.

**Madam Speaker:** Hon. Jhuboo, you have a question!

**Mr Jhuboo:** Thank you, Madam Speaker. Can I know from the hon. Minister what is a deadline concerning this project? As the hon. Minister is aware the project is now vested with the Ministry of Housing and Lands, initially it was for the construction of a Community Centre, now it is for the construction of a housing project. Now, can we know from the hon. Minister whether he is going to maintain the housing project or is he going to do the Multipurpose Centre?

**Mr Jhugroo:** Madam Speaker, as I mentioned earlier, this Government is going to request this plot of land to be vested again to the District Council of Black River and it is the Council which is going to decide which project to be carried on there.

**Madam Speaker:** Hon. Ganoo!

**Mr Ganoo:** Thank you, Madam Speaker. May I ask the hon. Minister to see to it - I have listened very carefully to what he said in his reply - that the new Multipurpose Complex, which will be built, be built in the vicinity of this football pitch? It is because I, myself, when I was Minister at that time and my two *colistiers*, we negotiated that land from Le Petit Morne. So, may I request the hon. Minister - since now of this land has been vested in the Ministry of Housing, and instead he is going to look for another plot of land - to see to it that the new plot of land, which his Ministry will look for, be not far away from the football pitch?

**Mr Jhugroo:** Madam Speaker, as I mentioned earlier, the previous Government in year 2005, the MSM-MMM Government, did lay the foundation stone. Unfortunately, we know what happened during the past 10 years under the Labour Government. But this Government under the Primeministership of hon. Pravind Jugnauth, we are going to do our best to realise this project.

**Madam Speaker:** Hon. Jhuboo, next question!

*(Interruptions)*

Hon. Jhugroo!

**YEMEN & MATALA – ROADS & BYPASSES - CONSTRUCTION**

**(No. B/245) Mr E. Jhuboo (Third Member for Savanne & Black River)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the western region, namely, La Gaulette, Petite Rivière Noire, Case Noyale, Rivière Noire and Tamarin, he will state if, in view of the substantial demographic expansion thereof, consideration will be given for the construction of new roads or bypasses in the region of Yemen and Matala.

**Mr Bodha:** Madam Speaker, the villages of La Gaulette, Petite Rivière Noire, Case Noyale, Rivière Noire and Tamarin can be accessed through the main road known as the A3-Black River Road, a major part of which is bounded by the sea on the one side and by mountains on the other side.

The western region including the villages mentioned above is witnessing major urban development which will accelerate in the coming years. In fact, two smart cities have been approved by the Board of Investment (BOI) namely the Medine Smart City and the Cap Tamarin Smart City.

In my reply to Parliamentary Question B/184 on 11 April 2017, I informed the House that the design of a new access road linking Flic en Flac to Pierrefonds bypassing the village of Beau Songes is being addressed by the promoter of the Medine Smart City as part of the conditions laid down in the Letter of Intent issued by the BoI.

As regards the smart city at Tamarin known as Cap Tamarin, which is being developed by Société R. Jhuboo & Cie, it will involve the partial deviation of the A3 Road in the vicinity of the Tamarin Bridge and will be undertaken by the promoter. The technical details for this diversion are yet to be finalised.

Madam Speaker, I am informed that the RDA proposes to carry out a study on assessment of major changes in land use in the western region, including the region of Yemen and Matala, and the impacts thereof with a view to developing an integrated road strategy. New roads and bypasses will be recommended, if needed, in light of the findings of the study.

**Madam Speaker:** In the light of the reply of the Minister, I think hon. Jhuboo should have declared his interest in that matter.

*(Interruptions)*

I understand from your reply that Cap Tamarin is involved. So, there is the question of interest of hon. Jhuboo!

*(Interruptions)*

**Mr Jhuboo:** Si je peux me clarifier, Madame la présidente. Ma question est concernant le Yemen et Matala *bypass, not the smart city*. C'est un projet qui date de 2000-2005 encore une fois et qui concerne principalement les habitants de Grande Rivière Noire, de tous les développements qui se font en amont du village de Grande Rivière, Les Salines Pilot. Donc, c'est un projet pour désengorger, desservir et fluidifier le trafic pour ces personnes de cette région, et en aucun cas celles de Tamarin ou de Médine.

**Mr Bodha:** I mentioned that we have a study on the major changes which are happening in the region of Yemen and Matala. The RDA is working on it and we want to have an integrated road strategy.

**Madam Speaker:** Hon. Osman Mahomed !

**Mr Osman Mahomed:** Thank you, Madam Speaker. Even last week there was a question on this and when my colleague asked a question today, the development that is being done is roped in. Will that study, that is being conducted by the RDA, culminate in a master plan so that one and all can understand once and for all what is going on there, so that we don't need to come to this House time again and again asking the same question?

**Mr Bodha :** Well, as regards to the region of Médine, we had a working session yesterday with the Médine Property Limited and we have come to an alignment of the bypass of the village of Beau Songes linking Cascavelle so that we have a round access to Flic en Flac. So, we have more or less finalised this bit.

*(Interruptions)*

Yes. Then, I will lay on the Table of the Assembly once we have finalised it. So, we have moved fast on it. We have agreed on the circular road which will link Cascavelle, Flic en Flac and back to Casela. That will link also the new road coming from La Marie to Beau Songes. We have worked also on a bypass of the Village of Beau Songes because we have some traffic problems. The interesting side about it is that we are working with Médine and most of the land required is from the Médine Sugar Estate. So, I think we have done a lot of progress. As regards this bit, that is, the region of Yemen and Matala, the hon. Member said that the study dated back 2000-2005; this is what we are updating.

**Madam Speaker:** Hon. Ganoo!

**Mr Ganoo:** Can I ask the hon. Minister to clear matters? Just to remind the hon. Minister that, in fact, we are talking of a road which will avoid the traffic going through

Tamarin and Rivière Noire. This is the bypass of Yemen and Matala. From the roundabout, the traffic will go inside and not on the main road. This is a road of about 4kms, and the road is already there but it is not tarred. It is a track.

**Madam Speaker:** No statement question, please!

**Mr Ganoo:** May I ask the hon. Minister if this matter can be expedited in order to ease traffic in that region which has, as we all know, dense traffic now with all the developments that are taking in place?

**Mr Bodha:** I will certainly, Madam Speaker, consider it as a priority.

**Mr Ganoo:** Can I ask the hon. Minister, since we are talking about traffic jam in that region, if he can consider the possibility also of widening the coastal road, in fact, from Tamarin to Le Morne, where it is possible still to do it, where there are no constructions, no buildings, just to *préparer pour l'avenir*.

**Mr Bodha:** Let us see what is technically possible, Madam Speaker.

**Madam Speaker:** Next question, hon. Dr. Sorefan!

#### **MEDICAL COUNCIL - MEDICAL REGISTRATION EXAMINATION**

**(No. B/246) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Minister of Health and Quality of Life whether, in regard to the Pre-Registration House Officers, he will –

- (a) state the names thereof presently enlisted by his Ministry, indicating the expected date of completion of the training thereof and
- (b) for the benefit of the House, obtain from the Medical Council, information as to the names thereof who are awaiting-
  - (i) registration as general practitioners, indicating when the registration exercise therefor will be carried out, and
  - (ii) the holding of the next Medical Registration Examinations, indicating when same will be held.

**The Minister of Arts and Culture (Mr P. Roopun):** Madam Speaker, with your permission, I am going to reply to this Parliamentary Question.

I am tabling the required information for parts (a) and (b)(i) of the question.

As regards part (b) (ii), I am informed by the Medical Council that the next Medical Registration Examination will be held around end of May 2017.

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

**Dr. Sorefan:** Madam Speaker, can the hon. Minister inform the House, regarding the next medical registration examination, whether he will follow the same criteria as before?

**Mr Roopun:** I understand, yes.

**Madam Speaker:** Next question hon. Ameer Meea!

#### **PLAINE VERTE & VALLÉE PITOT – ROADS - ABANDONED VEHICLES**

**(No. B/247) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Minister of Social Security, National Solidarity, and Environment and Sustainable Development whether, in regard to the abandoned cars, he will state if he has been informed of the increasing number thereof lying in various streets in Constituency No. 3, Port Louis Maritime and Port Louis East which are representing eyesores and hindrances to pedestrians and occupying available parking spaces and, if so, indicate if urgent remedial measures will be taken in relation thereto.

**Mr Sinatambou:** Madam Speaker, following representations made to the effect that several motor vehicles had been abandoned on roads, pavements and green spaces in the region of Plaine Verte and Vallée Pitot thereby causing eyesores and hindrances to the inhabitants of the region, a joint site visit was conducted on 27 February 2017, comprising officers of the *Police de l'environnement*, of the Technical Enforcement Unit of my Ministry and of the City Council of Port Louis.

During the site visit, it was observed that 59 vehicles had been abandoned on site. A list of the vehicle owners was drawn up according to records from the National Transport Authority. Thereafter, notices were served by the relevant enforcing agencies to those vehicle owners.

As at today, 37 out of the 59 vehicles have been removed. My Ministry, through the *Police de l'environnement*, is coordinating this exercise so as to ensure that all abandoned vehicles are removed by the owners.

Madam Speaker, due to the increasing number of abandoned vehicles in Mauritius, the Ministry of Public infrastructure and Land Transport recently conducted a study tour to Reunion Island with a view to consider the setting up and operation of a scrapyards for old and abandoned vehicles in Mauritius. An officer of the Solid Waste Management Division of my Ministry formed part of the team for the study tour. The matter is presently under consideration.

**Mr Ameer Meea:** Madam Speaker, I have raised this issue in the House twice last year. Once, in June 2016 at Adjournment Time, and secondly, through a PQ A/41 in December 2016 and by the way, the PQ in December 2016 has not been replied yet. I have checked it with the Library. When I raised this matter at Adjournment Time, the then Minister of Environment insisted that his Ministry is working on a deregistering system for vehicles that are no more roadworthy. So, my question to the hon. Minister is whether this process of deregistering all these vehicles has already started and put in place?

**Mr Sinatambou:** As I said in my reply, Madam Speaker, Government is presently envisaging the setting up of a scrapyards based on the model found in Reunion Island to scrap old and abandoned vehicles. My understanding is that the setting up of such a scrapyards would involve a deregistration mechanism.

**Mr Osman Mahomed:** Government has decided to free certain roads in Port Louis out of cars so that traffic can be more fluid. Now, being given that some of the cars as mentioned by the hon. Minister are adamant, they just leave it there, and while waiting for the scrapyards, can there not be a towing service that can tow these vehicles out of the roads of Port Louis, liberalising the roads once and for all because this is a real problem?

**Mr Sinatambou:** Now, I presume that this could be a question better answered by my colleague, the hon. Minister of Public Infrastructure and Land Transport. However, I can inform the House that under the current legislation, that is, the removal of vehicles Regulations of 1962, those cars can be towed away by Police officers or we can actually request the owners to tow them away. The law also provides that where vehicles are removed from the road by way of towing, the costs thereof can be recovered from the owners and the amount of time during which they remain in custody of whichever authority can also be



charged under the Road Traffic Act. So, it is just a question of enforcement which will be done.

**Mr Ameer Meea:** Madam Speaker, this new phenomenon of abandoned vehicles is not only in Constituency No. 3, it is an islandwide problem. So, my question to the hon. Minister is whether he is aware that there is a citizen of Mauritius who has written to him? I don't know whether he has received a letter which was copied to the Minister of Public Infrastructure and Land Transport, the Commissioner of Police, the officer in charge of *Police de l'environnement* and myself. I believe it must be from someone of Constituency No. 3.

**Madam Speaker:** Does that relate to Constituency No. 3, Port Louis Maritime and Port Louis East?

**Mr Ameer Meea:** Yes. I believe it is someone from Constituency No. 3. Can I know from the hon. Minister whether he has received his letter? I won't table that letter because there are the registration numbers of both vehicles involved. I can later give the hon. Minister this letter. To my knowledge - because I live there - all these vehicles are still on the road there.

**Mr Sinatambou:** I am not sure I will agree with the hon. Member because the basis of my intervention was, in fact, receipt of the letter addressed to myself and himself, which is when we found out that there were 59 cars. Now, I concluded that these were the very same cars. So, it is not otherwise, I will have to confirm. But I would like to state, Madam Speaker, that under section 61(11) of the Local Government Act, again, it is stated that no person shall actually abandon a car on any road and the Court can actually find them guilty and fine them to Rs25,000, plus the Court may in addition order the car owner to remove the car.

**Mr A. Duval:** Given that it is only now that Government intends to set up *une casse de voiture*, can the hon. Minister perhaps tell us how he is disposing of the cars pending the setting up of *la casse* and how has it been dealt before?

**Mr Sinatambou:** I would request the hon. Member to come with a substantive question because I don't have the information at hand.

**Madam Speaker:** The Table has been advised that PQ B/249, B/273 and B/287 have been withdrawn. Next question, hon. Ameer Meea!

**TERRE ROUGE-VERDUN-TRIANON MOTORWAY PROJECT -  
COMPULSORILY ACQUISITION**

(No. B/248) **Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the Terre Rouge-Verdun-Trianon Motorway Project, he will give the list of the owners whose plots of lands located in Petit Camp, Belle Terre and Highlands were compulsorily acquired for the implementation thereof, indicating in each case, the quantum paid/payable therefor.

**Mr Soodhun:** Madam Speaker, I am tabling the information requested by the hon. Member with all the required details.

At the request of the Ministry of Public Infrastructure and Land Transport, the Ministry of Housing and Lands has compulsorily acquired as from 08 December 2010, 43 portions of land located at Petit Camp, Belle Terre and Highlands for the implementation of the Terre Rouge-Verdun-Trianon Motorway Project.

Out of the 43 portions of land acquired and vested in the Ministry of Public Infrastructure-

- (a) Payment of compensation has been effected in 14 cases;
- (b) No agreement has been reached on the compensation payable in 20 cases and the matter is before a Board of Assessment. This includes 12 cases in which interim payment has been effected and 3 cases where a Notary Public has been appointed to effect the interim payment. The award of the Board is still awaited;
- (c) No agreement has been reached on the compensation payable in 4 cases and the matter was referred to a Board of Assessment. The Board has delivered an award. The former owners have lodged an appeal against the award before the Supreme Court. This includes 1 case in which interim payment has been effected;
- (d) In 2 cases, the former owners have submitted counterproposals which have been referred to the Valuation Department for its views;
- (e) In 2 other cases, an offer of compensation has been made. On counterproposals from the former owner, the Valuation Department has

maintained its assessment and the former owner was informed accordingly. A reply is still awaited from the former owner, and

- (f) In 1 case, no offer of compensation has been made as there has been a change in alignment and a change in land ownership.

**Madam Speaker:** Hon. Ameer Meea.

**Mr Ameer Meea:** Madame la présidente, j'aimerais savoir du ministre, s'il est au courant de la frustration des gens sur le tracé Terre Rouge-Verdun, notamment à Highlands, parce que, d'après un article de presse en date du 18 janvier de cette année, il y a des familles à qui la somme de Rs 600,000 par arpent a été proposée comme compensation. Certains, à côté, la somme de Rs 2.5 millions par arpent et même d'autres à Rs 5 millions par arpent. Est-ce que le ministre est au courant de cette frustration et qu'à-t-il fait ?

**Mr Soodhun:** Madam Speaker, I have gone through the newspaper and as I have explained, this has been referred to the Board of Assessment and the Valuation Department. I can't do anything. This case is not just now, it is, as I mentioned, 08 December 2010. I agree with the hon. Member and I pity these people, but I can't do anything more.

**Mr Ameer Meea:** In relation to the same issue, is there any legal claim against Government in relation to these compulsory acquisitions?

**Mr Soodhun:** Madam Speaker, I have given full details of the situation, but I don't have this information.

**Madam Speaker:** Next question hon. Quirin.

#### **VICTORIA HOSPITAL – CANCER PATIENTS – TREATMENT**

(No. B/249) **Mr F. Quirin (Fourth Member for Beau Bassin & Petite Rivière)** asked the Minister of Health and Quality of Life whether, in regard to the cancer patients, he will state the number thereof who have been undergoing treatment at the Queen Victoria Hospital, since January 2016 to date, indicating the number thereof being treated thereat on a daily basis.

*(Withdrawn)*

#### **MAURITIUS SPORTS COUNCIL – BOARD MEMBERS & ALLOCATION**

**(No. B/250) Mr F. Quirin (Fourth Member for Beau Bassin & Petite Rivière)** asked the Minister of Youth and Sports whether, in regard to the Mauritius Sports Council, he will, for the benefit of the House, obtain therefrom, information as to the;

- a) composition of the Board thereof, and
- b) monthly allocation paid to the Chairperson and Board Members thereof.

**Mr Toussaint:** Madam Speaker, I am circulating the composition of the board of the Mauritius Sports Council as last reconstituted in March 2015 for a period of two years.

I have to inform the House that actions have been initiated for its reconstitution as per Section 16(2) of the Sports Act 2016.

As regards part (b) of the question, I am informed by the MSC that a monthly allowance of Rs25,000 is paid to the Chairperson and the Board members are paid Rs890 per sitting.

**Mr Quirin :** Madame la présidente, l'honorable ministre peut-il informer la chambre, qui est le président du *Mauritius Sport Council* vu qu'il va circuler la composition du *board*?

**Mr Toussaint:** Madam Speaker the Chairperson is Mrs Sara Rawat Currimjee.

**Mr Quirin:** Peut-on savoir si Madame Currimjee cumule aussi les fonctions de *Senior Adviser* au bureau du Premier Ministre ?

**Madam Speaker:** Hon. Member, the Minister cannot reply for another Minister, so the question is inappropriate!

**Mr Quirin:** Madame la présidente, puisque l'honorable ministre a parlé de renouvellement de son *Board* pour bientôt, peut-on savoir s'il compte inclure, faire de la place aux anciens sportifs, aux personnes issues du mouvement sportif ou, comme a fait son prédécesseur, nommer uniquement, ou en grande partie, des agents politiques?

**Mr Toussaint:** Madame la présidente, je peux dire que l'honorable membre a tout à fait tort. Ce n'est pas le cas.

**Mr Lepoigneur:** Madame la présidente, j'aimerais savoir si le *chairman* actuel sera remplacé par rapport au *Sports Act*. Etant nommée au PMO office, elle n'a pas le droit de siéger dans une organisation sportive en tant que présidente.

**Mr Toussaint:** Madame la présidente, je ne pense pas que l'honorable membre ait raison sur ce point.

**Madam Speaker:** Next question, hon. Quirin.

**MAURITIUS ATHLETIC ASSOCIATION – COACHES - SPORTS ACT 2016**

**(No. B/251) Mr F. Quirin (Fourth Member for Beau Bassin & Petite Rivière)**

asked the Minister of Youth and Sports whether, in regard to the Sports Act 2016, he will state if his Ministry is in presence of representations from the Mauritius Athletic Association in relation to a few sections thereof and, if so, indicate if due consideration is being given thereto and, if not, why not.

**Mr Toussaint:** Madam Speaker, I have to inform the House that my Ministry is not in the presence of any formal representation from the Mauritius Athletic Association in relation to the Sports Act 2016.

However, during a workshop held on 29 January 2017 at the Municipal Council of Vacoas-Phoenix wherein officers of my Ministry and myself were present, the Association made a proposal that the status of coaches be defined in the Sports Act on the same line as has been the case for athletes.

The proposal along with those received from other National Sports Federations are presently being examined by officers of my Ministry and, if the need arises, appropriate legislation would be made to take on board the valid ones.

**Mr Quirin:** Madame la présidente, contrairement à ce que vient d'annoncer le ministre, j'ai en ma possession copie d'une lettre adressée à M. Descann, *Senior Sports Officer*, au ministère des sports en date du 14 avril 2017 et qui fait état - comme l'a dit le ministre - d'une rencontre organisée par l'association mauricienne d'athlétisme à laquelle le ministre lui-même avait participé et qui fait état des observations faites ce jour-là, et qui clairement démontre que l'association mauricienne d'athlétisme sollicite le ministère des sports, le ministre lui-même, par rapport à certaines observations faites le 29 janvier de cette année. Peut-on savoir justement par rapport aux observations faites par l'association mauricienne d'athlétisme, si le ministre et son ministère comptent instituer un comité pour étudier les observations qui ont été faites concernant les comités régionaux, le statut des coaches, entre autres, comme il a lui-même cité?

**Mr Toussaint:** Madame la présidente, je dois dire que j'ai une lettre - la même, je pense - pour la fédération et demande à un officier de mon ministère si on peut considérer à partir de l'atelier de travail qu'il y a eu lieu en janvier, donc ce n'est que vers le 14 avril que

la fédération demande au ministère de prendre en considération les différentes observations qui ont été faites pendant l'atelier de travail. Et on est en train de voir.

**Madam Speaker:** Next question hon. Bhagwan.

**METRO EXPRESS PROJECT – LAUNCHING CEREMONY -  
EXPENDITURE**

(No. B/252) **Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the launching ceremony of the Metro Express Project on Friday 10 March 2017, he will state the total expenditure incurred in relation thereto, indicating the indicating the -

- (a) goods and services in respect of which same was incurred item-wise, including the names of the service providers thereof;
- (b) procurement procedure followed therefor, and
- (c) item of expenditure under which same was met.

**Mr Bodha:** I have been informed by the Prime Minister Office that with regard to part (a) of the Parliamentary Question, the total expenditure incurred stands at Rs 7.5 million VAT inclusive.

The breakdown is as follows -

Event Management	Rs5,600,000
Catering	Rs 600,000
Air Conditioning Units	Rs 931,000
Backup Generator and Security	Rs 136,000
Mobile Toilets	Rs 100,000
Temporary Waterproofing	Rs 100,000
Public Liability Insurance	Rs 3,000

In reply to part (b) of the question, Madam Speaker, all procurement procedures have been followed as appropriate.

The Event Management Company engaged for the launching ceremony had to provide of three main items –

1. The production of a film and an exhibition on the history of the rail system in Mauritius;
2. A virtual presentation of the trip from Curepipe to Port Louis, and
3. A drone video of the alignment from Curepipe to Port Louis.

Madam Speaker, all these items have been secured by the Metro Express Limited and will be used for its communication campaign to promote the Metro Express Project and sensitize the population throughout the island in the months to come.

The expenditures were met under item 2-102 Private Office and Ceremonials of the Prime Minister's Office.

**Mr Bhagwan:** Can the hon. Minister inform us which company has the responsibility of this event management, what are the companies which have been involved for the preparation of the film, video and so on?

**Mr Bodha:** Madam Speaker, the method of procurement that was used is restricted bidding. The following bidders were invited to submit their bids -

1. DB Vision
2. Impact Production
3. Move for Art
4. VIP Event Organiser
5. Seven Amps Ltd.
6. Circo De Bazuka

The tender for the service of an event provider was launched on 31 January and, at the closing date, three bidders responded namely -

1. Circo de Bazuka
2. DB Vision
3. Impact Production Compny

After that there was a Bid Evaluation Committee which considered that in view of the detailed information, the proposal of Impact Production Company could be the most suitable for the event.

**Mr Bhagwan:** Can we know the members of the Bid Evaluation Committee?

**Mr Bodha:** The Bid Evaluation Committee was composed as follows –

- the Chairperson was Mrs Gujadhur-Nowbuth, Deputy Permanent Secretary;
- as assessors and members, we had Mr Ramdhany, Lead Analyst from the Ministry of Finance and Economic Development;
- Mr Kripa, Assistant Manager Procurement and Supply, PMO;
- Mr Khunkhunwa, Office Management Assistant.

**Madam Speaker:** Hon. Uteem!

**Mr Uteem:** Thank you, Madam Speaker. The hon. Minister mentioned that there were three shortlisted responsive bids. May I know from the hon. Minister whether Impact Production, which was awarded the contract, was the lowest bidder or if he was not, what was the difference between him and the others?

**Mr Bodha:** Well, Madam Speaker, the bid for Circo de Bakuza was Rs6.4 m.; DB Vision was Rs5.3 m. and Impact Production was Rs5.7m. It was the second lowest.

**Madam Speaker:** Hon. Bhagwan, next question!

#### **MAURITIUS TELECOM – CEO & BOARD MEMBERS**

**(No. B/253) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Minister of Technology, Communication and Innovation whether, in regard to the Mauritius Telecom, he will, for the benefit of the House, obtain therefrom, information as to the -

- (a) composition of the Board thereof;
- (b) name of the Government representative sitting on the Board thereof, and
- (c) terms and conditions of appointment of Mr M. S., Chief Executive Officer thereof, including the total monthly remuneration thereof and the fringe benefits drawn.

**The Minister of Financial Services, Good Governance and Institutional Reforms (Mr D. Sesungkur):** Madam Speaker, with your permission, I would like to answer this question in acting capacity.



Madam Speaker, with regard to part (a) of the question, I am informed that the Board of the Mauritius Telecom Ltd. is composed as follows as at 14 April 2017 –

- Mr Nayen Koomar Ballah;
- Mr Leon Charles;
- Mr K. Konhye
- Mr Dheerendra Kumar Dabee, G.O.S.K.;
- Mr Dharam Dev Manraj, G.O.S.K.;
- Mr Bruno Mettling;
- Mrs Shakuntala Devi Gujadhur-Nowbuth;
- Mr Ludovic Pech, and
- Mr Jean-François Thomas

With regard to part (b) of the question, I am informed that the following Directors were nominated for appointment by the Government of Mauritius pursuant to a Shareholders' Agreement between the Government of Mauritius and RIMCOM Ltd, which is the investment vehicle for Orange –

- Mr Nayen Koomar Ballah;
- Mr Dabee;
- Mr Manraj;
- Mr Konhye, and
- Mrs Gujadhur-Nowbuth

With regard to part (c) of the question, the hon. Member is aware that Mauritius Telecom Ltd. is a company governed by the Companies Act and by its Board of Directors. Accordingly, the terms and conditions of appointment of the Chief Executive Officer have been approved by the Board of Directors of Mauritius Telecom Ltd.

Madam Speaker, I am further informed that it has been the policy of successive governments not to give details about private companies. Mauritius Telecom Ltd., being a private company, I will, therefore, refer the hon. Member to the annual report of the Mauritius Telecom Ltd., which gives relevant information about the company.

**Madam Speaker:** Hon. Bhagwan!

**Mr Bhagwan:** Can the hon. Minister inform us who is the Chairperson of the Board?

**Mr Sesungkur:** The acting Chairperson is Mr Ballah.

**Mr Bhagwan:** Can we know from the hon. Minister when a full-time Chairperson will be appointed; whether it is contemplated by Government to appoint a new full-time Chairperson?

**Mr Sesungkur:** Madam Speaker, I am sure the hon. Member is aware that I am not the substantive Minister, but I am going to pass on this to the Minister responsible for his action.

**Madam Speaker:** Hon. Adrien Duval!

**Mr A. Duval:** Thank you, Madam Speaker. Is the hon. Minister aware that Mr S. S. drives company car, a 550 BMW, which costs about Rs6 to Rs7 m.?

*(Interruptions)*

**Madam Speaker:** Hon. Adrien Duval, I don't think this question is appropriate. The hon. Minister is not the substantive Minister and he would not have this information. So, you can come with a substantive question next time!

**Mr A. Duval:** But, the question, Madam Speaker, talks about the terms and conditions of appointment. Company car is a condition of appointment. It is a fringe benefit. I am asking the hon. Minister to confirm whether he is aware - whether he can confirm!

**Madam Speaker:** It has been the practice in this House to ask hon. Ministers to confirm. Let me tell hon. Members that we cannot ask Ministers to confirm. You have to rephrase your question. This is the first thing. Now, the second thing is that he is not the substantive Minister and he does not have the information. So, you come with a substantive question. Hon. Bhagwan, do you have another question?

**Mr Bhagwan:** Even if the Minister is not the substantive Minister, he is at least the Minister of Good Governance, which is a very big and important Ministry, a big portfolio. Would the hon. Minister be surprised to learn that this person - I call him the blue-eyed boy of Government - has pocketed a bonus of nearly Rs2 m. during the past year?

**Mr Sesungkur:** Unfortunately, Madam Speaker, I don't have this information.

**Mr Bhagwan:** Madam, can I again ask the Minister of Good Governance to, at least, go through the files? Because Government has a representative, and it is Telecom's money. Although it is Orange, it is public money. Would the Minister be surprised to learn that, as Minister, he does not earn such a big package, more than Rs1 m. monthly, including all the fringe benefits, bonus and so on? Will the Minister, at least, in the public interest, if Government has - Hon. Collendavelloo

*(Interruptions)*

*pas bizin sakouie la tete*, it is like this. If he were in the Opposition, *li ti pou kritik sa!* So, could the Minister inform the House...

**Madam Speaker:** Hon. Bhagwan, ask your question, because as I always say, the object of asking a question is to get information from the Minister and not to provide information!

**Mr Bhagwan:** I will talk about Sherry Sing, not *gunda sing*. I think it will be in the public interest and it is good that people know. In this House, even innocent Members of Parliament - I can say innocent - do not know how much this gentleman is earning. He is earning more than Rs1 m. He is acting as a ...

**Madam Speaker:** Hon. Bhagwan, please! Don't make statements! Ask your question! Once again, I am going to reiterate that the object of asking a question is not to provide information, but to get information from the Minister concerned.

Next question, hon. Barbier!

## **AFRICA - SPECIAL ECONOMIC ZONES**

**(No. B/254) Mr J. C. Barbier (Fourth Member for GRNW & Port Louis West)** asked the Minister of Foreign Affairs, Regional Integration and International Trade whether, in regard to plots of land offered by foreign countries to Mauritius for investment purposes, he will state the names of the said countries, indicating in each case the –

- (a) extent thereof;
- (b) conditions attached thereto, and
- (c) beneficiaries thereof.

**Mr Lutchmeenaraidoo:** Madam Speaker, I thank the hon. Member for raising this question, as the Africa Strategy is a major component of our overall economic strategy.

As the House is aware, the main objective is to position Mauritius as a preferred platform for investment into Africa. We have the support of the International Monetary Fund, the World Bank and other financial institutions which see, in this strategy, a further means to sustain Africa in its development. In fact, the implementation of the Africa Strategy is closely monitored by the above international institutions as an innovative strategy in a South-South cooperation.

Madam Speaker, the success of the EPZ and the Cybercity in Mauritius motivated the Governments of Senegal, Ghana and Madagascar to seek the assistance of Mauritius for the development of Special Economic Zones in their respective countries.

Following on these requests, a Government-to-Government vehicle to facilitate the economic cooperation between Mauritius and Africa was set up - the Mauritius Africa Fund (MAF). The objectives of MAF are –

1. to promote a G-to-G framework of cooperation within which SEZs could be established;
2. to conceptualise, promote and manage jointly the SEZs along with the selected countries, and
3. to accompany investors in the host countries.

At the outset, Madam Speaker, I would wish to emphasise that our role as Government is to act as a facilitator and not as an investor. It would be for the private investors, both local and foreign, to invest in projects within the agreed framework of the SEZs.

My Ministry is in the process of establishing, with selected countries, Joint Permanent Commissions for furthering bilateral cooperation and with a view to expediting implementation of projects identified within the framework of these Joint Commissions, there are Joint Working Groups which are, in fact, supporting the Joint Commissions for the implementation of those projects.

We are also putting in place other G-to-G instruments such as DTAs, IPPAs and Special Purpose Vehicles (SPVs). The SPVs are innovative tools for mobilising international funds to invest in projects in the Special Economic Zones (SEZs).

Let me share with you where matters stand, as at now, in each of the countries mentioned.

### **Senegal**

As regards Senegal, Madam Speaker, three agreements have been signed between Senegal and Mauritius for the management and development of the SEZs in Senegal.

A total area of 53 hectares of land has been allocated by the Government of Senegal in the emerging city of Diamniadio for the development of a cargo village next to the new airport. The land has been vested in a Special Purpose Vehicle of which both Governments are shareholders and managed by Mauritius Africa Fund (MAF) on the Mauritian side.

### **Ghana**

During the inaugural session of the Mauritius Ghana Permanent Joint Commission, Ghana agreed to identify appropriate plots of land for development. As at present, a 20-hectare plot in Dawa, some 50 km East of Accra has been identified for the development of the Technology Park.

MAF has also requested a second plot of land in the Kwabinya region of Greater Accra which would house the Cyber Tower. I have written to the Vice-President of Ghana, H.E. Dr. Mahamudu Bawumia, for accelerating the process of identifying the exact site for the construction of this Cyber Tower as well as for two other plots of land for the setting up of a Solar Energy Power Generation plant and a Tourism and Hospitality Projects. A *Note Verbale* has already been sent to the Ghanaian authorities for this purpose. The special purpose vehicle between Mauritius and Ghana will be established once all the plots of land have been identified and the modalities agreed upon.

### **Madagascar**

Madam Speaker, it would be recalled that on 11 March 2016, during the State Visit of the Malagasy President, a Memorandum of Understanding (MoU) was signed on the setting up of a Special Economic Zone between Mauritius and Madagascar. The MoU makes provision for the development of an SEZ on a plot of land of 80 hectares in Fort Dauphin. Following the request of MAF, the Malagasy authorities are now looking at other sites in the region of Diego Suarez in the North, in the region of Tuléar in the South-West of Madagascar, *inter alia*, for the setting up of a tourist village, the establishment of a Business and Industrial Park and a large scale agricultural development.

Any allocation of land would require the approval of the *Assemblée Générale* of Madagascar. A technical team is presently in Madagascar to visit the various sites and hold discussions with the Malagasy side with a view to advancing our cooperation programme.

### **Côte d'Ivoire**

Madam Speaker, a Memorandum of Understanding between Mauritius and Côte d'Ivoire was signed in April 2016 for the development of a Technology and Business Park.

A high-level delegation from the Ministry of Economy and Finance of Côte d'Ivoire visited Mauritius on 09 March of this year to discuss investment opportunities both between our two countries.

Discussions are on-going. Madam Speaker, in all the cases which I have mentioned, the beneficiaries would be the private operators who invest in the Special economic Zones through the SPVs.

### **Mozambique**

Madam Speaker, in the case of Mozambique, I wish to inform the House that some 26,000 hectares of land around the Manica, Nampula and Maputo regions were earmarked by the Mozambican authorities for Mauritius. That was in 2009. Calls of proposals were launched twice to invite potential investors.

Three potential investors were identified for the production of maize, soya bean, sunflower, rice and rice seeds. However, the investors did not go ahead for multiple reasons.

**Madam Speaker:** Hon. Barbier!

**Mr Barbier:** I thank the hon. Minister for giving so many details. May we know what are the mechanisms set until now on the Government side? I understand that until now it is a G-to-G discussion. May we also know how Government proposes to bring in the private investor? I understand that in Mozambique the project failed, if I got the hon. Minister right. So, for all the other offers that we have from other African countries, may we know what are the mechanisms set until now to bring in the private sector to make all these projects go ahead?

**Mr Lutchmeenaraidoo:** I thank the hon. Member for the question because we need to have more details on the whole Africa strategy, which is and will remain for very long, one of the major sectors of the economy. So, the way we are proceeding is the following. After the failure of the operation in Mozambique, we thought that probably the best approach would not be for Mauritius to become a partner with Africa. We don't have the resources; we

don't have the man or the financial resources. So, we said, let us work with a few countries with which we can work together, with which we have things to share and where there is a win-win situation in principle.

And this is where we said, instead of working with 54 African countries, we identify about 10 countries which fulfil basic conditions in terms of democracy, in terms of level of transparency, in terms of level of development. It is like this that we came, therefore, to identify on Western African side Côte d'Ivoire, Senegal and Ghana. And coming further down south, we identified Kenya, Tanzania, Zambia, Ethiopia, South Africa and maybe also another country, we are not sure yet. Then going further down, there's naturally the Indian Ocean Commission, the Islands surrounding us. So, the operation of the Africa strategy is based on us working at the level of joint working groups, permanent joint working groups, where both Governments meet and which is then assisted by a joint working groups of civil servants, officers whose responsibility is to implement all the projects which are approved once the joint commission has met. This is at the level, therefore of Government, G-to-G, joint commissions, then special committees that will ensure an implementation. On the financial side, which is much more exciting, the approach we are having has been discussed with the IMF and the World Bank first and they have suggested that we set up Special Purpose Vehicles (SPVs) in the financial sector in Mauritius that will have as shareholding both Governments and which will have cell companies in-built in the SPV, each cell company being one project. And to avoid contamination in case of problems, each cell is ring-fenced, compared to the other. The SPV itself is built according to Mauritian law and all investors that go through the SPV to invest in Ghana, in Senegal, anywhere benefit from a series of fiscal and financial incentives. So, this is basically how we are proceeding. We are at the very beginning of it. What I need to say is that two years back, I had some reservation as to whether the Africa story would evolve. Well, after two years, I think we have gone a long way and, very recently, we have seen meetings in Mauritius; next week we will have, in fact, Comorian, followed by a joint commission; then we had before the organisation set up by the Foundation which was set up to encourage with AU...

*(Interruptions)*

**Madam Speaker:** Hon. Baloomoody, please do not disrupt the sitting.

**Mr Lutchmeenaraidoo:** Well, if I can proceed....

**Madam Speaker:** Yes.

**Mr Lutchmeenaraidoo:** Therefore, the AU set up a new organisation based in Mauritius which is very important. It is, in fact, an organisation that says officially Africa wants the private sector now on board and this how we created, three weeks back, a major operation where the Prime Minister participated personally in all the operations whereby some 12 federal States came to Mauritius to discuss business with investors. That was huge! Tanzania came to Mauritius on their Tanzania Day. Then, we had the COMESA also coming to Mauritius, just to say...

*(Interruptions)*

**Madam Speaker:** Hon. Baloomoody, once again! Once again! Yes, Hon. Barbier!

**Mr Barbier:** Madam Speaker, I was waiting for a straightforward answer to know whether the private sector has been somewhere invited to meet the Government and to see about all these opportunities of investing in all the sectors. This is the answer I was waiting for. It's clear that such a forum does not exist. Now, will the hon. Minister see to it that Government sets the right forum so that we can explore all these possibilities through Africa?

**Mr Lutchmeenaraidoo:** This is why I needed to give some information even part of the Opposition doesn't think like having it. We need to explain to the population that this is a major project and this will benefit Mauritius in a huge way in the years to come because we are going to invest in African countries, get back dividends and royalties, and the whole operation is being built in the financial sector which will be the organisation that will benefit the most from it.

Now, how would the private sector come in? Once the SPV has been set up, then, it is the Board of Investment and MAF, both organisations are going to rope their efforts together to ensure that investors come in. Therefore, we are developing a financial corridor plus an investor's corridor that will go through the financial sector for investment in Africa. This is the process. Naturally, we can't expect results overnight because it is an operation that will go for decades. What is important is that this Government started it and we are convinced that it will become a substantial pillar in the whole economy.

**Mr Uteem:** After all these *bla-bla-bla*, wouldn't the hon. Minister agree...

*(Interruptions)*

**Madam Speaker:** No...

*(Interruptions)*



**Mr Uteem:** It is *bla-bla-bla*!

*(Interruptions)*

The hon. Minister...

*(Interruptions)*

**Madam Speaker:** We are having a debating atmosphere which should be calm. Please, refrain from making comments which will raise provocations in the House. Please, proceed with your question!

**Mr Uteem:** The hon. Minister when he was Minister of Finance had announced two years ago the Mauritius Africa Fund where Rs500 m. were to be given to Mauritian private entrepreneurs to go and invest in Africa. Three years later, as rightly pointed out by hon. Barbier, nothing has been done and that is why I keep saying this is all *bla-bla-bla*, result zero!

**Madam Speaker:** So, what is your question, hon. Uteem?

*(Interruptions)*

What happened to the Mauritius Africa Fund?

**Mr Lutchmeenaraidoo:** I can reply to a civilised question and this one is not a civilised question.

*(Interruptions)*

**Madam Speaker:** Hon. Barbier, next question!

*(Interruptions)*

Hon. Baloomoody, I have called you so many times!

#### **LAND PRESCRIPTION & TRANSCRIPTION – GOVERNMENT POLICY**

**(No. B/255) Mr J. C. Barbier (Fifth Member for GRNW & Port Louis West)** asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to land prescription and transcription, he will state the new policy adopted, if any, for a better control, monitoring and implementation thereof.

**Mr Soodhun:** Madam Speaker, hon. Members would recall that in previous replies, I informed the House that an In-House Committee at the level of my Ministry was set up to

look into the report of the Commission of Inquiry on Acquisitive Prescription and to work on the consequential amendments that should be brought to existing legislations.

The views and recommendations of the said Committee have been submitted to the State Law Office. Discussions were also held with officers of the State Law Office and a consensus has been reached on most of the recommendations. Final views are being awaited.

The recommendations of my Ministry were also sent to the Law Reform Commission. The latter has informed that a Paper has been prepared on the “Law of Prescription under the *Code Civil Mauricien*”. The Law Reform Commission has further informed that an Advisory Panel has been set up to look into the recommendations of the Commission of Inquiry on Acquisitive Prescription as well as the proposals of my Ministry. The Panel consists of persons having specialised knowledge in, or particularly affected by, the matter to be studied and such other members as the Commission may deem appropriate. The Chief Surveyor of my Ministry has been designated to form part of the Advisory Panel.

With regard to transcription, the Affidavit of Prescription Act was amended in 2012 to suspend section 3 of the Act which related to the transcription of an Affidavit of Prescription.

A policy will be formulated in light of the recommendations of the Advisory Panel and views of the State Law Office.

**Mr Barbier:** May I ask the hon. Vice-Prime Minister since when this Commission has submitted his report to Government and are we now in a position to know by when the exercise will be completed and appropriate action will be taken by them?

**Mr Soodhun:** Madam Speaker, as I have just mentioned, they have gone through several steps and we have now set up a panel. We also have the Advisory Panel and the State Law Office is also working on it. We have involved all the people. It is not something that is going to be done at one go. We have amended the Act and we are working on it. There has also been the Law Reform Commission. It has not been done since a long time. So, now we are working and I think the hon. Member will appreciate that.

**Mr Baloomoody:** Madam Speaker, the law was amended in 2012 for no land to be allowed to be prescribed. Subsequently, there was a Commission which was set up. I think it was presided by Senior Magistrate, Wendy Rangan. The Commission had its report filed under the previous Government. Now, two and a half years of this Government, there are still many people who have been penalised under the prescription and they are waiting positive

decisions taken following the report of the Wendy Rangan Commission. Can I ask the hon. Vice-Prime Minister whether he is prepared –

- (i) to lay on the Table of the Assembly a copy of this report, and
- (ii) tell us clearly when he intends to come forward with the law to amend the Prescription Act so that we can move forward, especially not to penalise those who have been waiting since 2012.

**Mr Soodhun:** Madam Speaker, as I have just mentioned, we have just set up the Advisory Panel with persons concerned. They are qualified persons. So, we are going step-by-step. It is not a simple question. The hon. Member is a lawyer and he knows very well. So, we can't do that and I just can't bypass the panel. As I said, there are people from the State Law Office and there is also the Master and Registrar, all these people are involved in this.

**Mr Ramful:** Madam Speaker, there was already a Commission of Inquiry, and it was open to the public, all the stakeholders have had the opportunity of expressing themselves before the inquiry. May I know from the hon. Vice-Prime Minister what is the purpose now of setting up an Advisory Panel?

**Mr Soodhun:** I'm very sad to say that. My hon. friend is a very good lawyer. I think he should know that when we have set up a panel, we have the Commission of Inquiry. As I have mentioned today, there are many suggestions which have been made and which are not agreeable by all the members. Now, they are working, the final step is for the Advisory Panel. We have put a qualified person there.

**Madam Speaker:** Hon. Barbier, next question!

#### **FARQUHAR STREET, PORT LOUIS - TAXI-STAND SIGNBOARDS**

**(No. B/256) Mr J. C. Barbier (Fifth Member for GRNW & Port Louis West)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the two taxi-stand signboards fixed at the Farquhar Street, in Port Louis, between the Sir William Newton Street and the Place Bissoondoyal, at Place d'Armes by the Traffic Road Management Safety Unit, he will state if it is in order and, if not, indicate if consideration will be given for the removal thereof.

**Mr Bodha:** Madam Speaker, I am informed by the National Transport Authority (NTA) that there are currently 70 taxis licensed to operate from Place Sookdeo Bissoondoyal, commonly known as Place d'Armes, in Port Louis. These taxis ply for hire

at taxi stands located at Place d'Armes, Duke of Edinburgh Avenue and Farquhar Street. Parking slots for these taxis are available as follows -

- Place d'Armes: 11
- Duke of Edinburgh Avenue: 27
- Farquhar Street: 6

Place Sookdeo Bissoondoyal is a proclaimed taxi stand as per the Road Traffic (Taxi, Bus and Lorry Stands) Order 1944.

I am further informed that during the reconstruction of the Central Market in 2003, Farquhar Street, a non-classified road falling under the responsibility of the Municipal Council of Port Louis, was closed for vehicular traffic until March 2004. Upon request from the Council, the NTA approved the temporary removal of the taxi stand along Farquhar Street during the reconstruction period on the condition that it would be reinstated after the completion of works.

However, on grounds of insufficient parking facilities in the vicinity of the Central Market for the public, the Ministry then acceded to the request of the Municipal Council for the conversion of the taxi stand into a paid parking zone.

Following repeated requests from the Association of Place d'Armes taxi owners for the reinstatement of the taxi stand along Farquhar Street, the NTA recommended the extension of the taxi stand to the Ministry and to the Municipal Council of Port Louis, for taxis based at Place d'Armes along the right hand side of Farquhar street in the direction of Sir William Newton street.

The recommendation was approved by the Ministry on 16 June 2014 but the taxi stand signboards were being regularly removed by unknown hands and thereafter replaced by the TMRSU.

Madam Speaker, following the coming into office of this Government, a Traffic Management Plan has been prepared with a view to make the most efficient use of the existing road system. In fact, it is a very congested area as vehicles coming from no less than seven different directions meet at the level of the statue of Mahé de La Bourdonnais at the entrance of Place d'Armes.

We have now a plan which will radically alter the pattern of traffic movements within the township of Port Louis and prohibit right turning movement along President John

Kennedy Street onto Place d'Armes. The project also includes the transfer of the taxi stand along Place d'Armes, reversion of the one way set up along Duke of Edinburgh Avenue, closure of all lateral roads along Place d'Armes, upgrading of the pedestrian walkway along Place d'Armes and the fixing of decorative handrails along La Place d'Armes.

In view of the changes that are being proposed to be brought to the location of the parking slots, the stand limits, and the addition of parking slots, a meeting with the Association of Place d'Armes taxi owners will be convened next week in the near future to present the project and to ensure that the Traffic Management Plan is implemented in the best possible manner with all the stakeholders. At this stage, the removal of the signboards is not, therefore, envisaged.

I had a technical committee last week and we are meeting the taxi owners next week.

**Madam Speaker:** Hon. Barbier!

**Mr Barbier:** Thank you, Madam. As the Minister in his answer stated, the Municipal Council, to which the taxi organisation addressed their petition, rejected - which the hon. Minister did not mention - this demand and it is the responsibility by law of Local Government to proclaim taxi stand and not the TRMSU.

**Madam Speaker:** Yes, this is your question.

**Mr Barbier:** So, this is my question exact. Will the Minister see to it that the TRMSU does not take up on itself to declare or to place a panel of taxi stand which is the responsibility of the Municipal Council which did not accede to this request.

**Mr Bodha:** We will consider all these issues Madam Speaker when we meet the taxi owners, and I'll see to it that each one share the responsibility that calls upon, whether the TRMSU or the Municipal Council.

**Madam Speaker:** The Table has been advised that PQ B/264 has been withdrawn. Next question hon. Barbier!

#### **CEB – ST LOUIS POWER STATION – PRODUCTION CAPACITY**

**(No. B/257) Mr J. C. Barbier ( Fifth Member for Grand River North West & Port Louis West)** asked the Deputy Prime Minister, Minister of Energy and Public Utilities

whether, in regard to the St Louis Power Station, he will, for the benefit of the House, obtain from the Central Electricity Board, information as to the -

- (a) new plants being installed thereat, indicating the -
  - (i) production capacity thereof ;
  - (ii) CO<sub>2</sub> emission thereof, and
- (b) old plants being phased out, indicating in each case the -
  - (i) production capacity thereof ;
  - (ii) CO<sub>2</sub> emission thereof, and
  - (iii) level of noise pollution emission thereof as compared to the new plants.

**The Deputy Prime Minister:** Madam Speaker, I am informed by the Central Electricity Board, that Forward Cell 18V46 generating sets each of capacity 16.85 MW are being installed at St Louis Power Station.

The Production capacity is 67.4 MW. Four hole pill generating sets, each of effective capacity 6MW will be phased out, their production capacity is 24 MW. According to the manufacturer, the CO<sub>2</sub> emission for the new engine is in the range of 560 to 620 g/kWh as compared to the pills take engines which is 680 to 7550 g/kWh.

I am informed that the noise level recorded in the residential area closest to the pills stick generating sets, including background noise from the highway is in the range of 65 to 70 dB The guaranty noise level for the new engine is within the acceptable level of 55dB .

**Mr Barbier:** May I know from the Minister when works at Saint Louis will be completed, do they have a time frame?

**The Deputy Prime Minister:** I gave the answer following a previous Parliamentary Question, but I am going to get it, September.

**Madam Speaker:** Hon. Rutnah!

**Mr Rutnah:** Thank you, Madam Speaker. With regard to the installation of new generating set, will the Deputy Prime Minister inform the House, if there have been legal proceeding to stop that installation and what has been the outcome?

**The Deputy Prime Minister:** Madam Speaker, I'll refer to what I said in answer to a previous PQ. First of all, there were court cases to stop the tender. This resulted in an injunction which delayed the works. Finally, the injunction was lifted and the tender proceedings could continue.

Afterwards, there were challenges before the Independent Review Panel which the applicant eventually dropped. Now, we are facing five cases, one is before the Supreme Court for injunction – no interim injunction has been granted so far. The second, third and fourth ones are applications before the Environment and Land Use Appeal Tribunal to stop that development from proceeding. Up to now, the applications have not resulted in any injunction. But, finally, now we know that, through all these actions by the Mouvement Civique de Plaine Lauzun, in fact, they are asking for money. Le dirigeant du Mouvement Civique de Plaine Lauzun have each been asking for Rs3 million, one for the gentleman, then for his wife, then for his daughter and four for other members of the Mouvement in their individual names, plus Rs5 million for the Mouvement itself in a plaint with summons which is coming before the Supreme Court on the 06 June, the matter will be resisted.

**Madam Speaker:** Hon. Mrs Selvon!

**Mrs Selvon:** Thank you, Madam Speaker. Could the hon. Deputy Prime Minister tell the House whether a fire and evacuation plan has been set up or will be set up?

**The Deputy Prime Minister:** Well, all matters relating to possible accidents are closely monitored. In fact, we have a monthly environmental report with regard to evacuation plan as such. I do not think there is any need for an evacuation plan as matters stand.

**Madam Speaker:** Hon. Jahangeer!

**Mr Jahangeer:** Thank you, Madam Speaker. If I heard correctly from the hon. Deputy Prime Minister, the noise level of a new plant will be limited to 55 dB, but the plant is not yet commissioned, how can he be sure that this will be limited to 55 dB?

**The Deputy Prime Minister:** I am extremely surprised ...

**Madam Speaker:** Hon Ameer Meea, your comments are unwarranted.

**The Deputy Prime Minister:** L'honorable Membre sait très bien qu'il y a des spécifications pour les machines, ses moteurs ont été construits par rapport aux spécifications. Les anticipations, maintenant avec les normes scientifiques et les nouvelles technologies, ne peuvent pas être à peu près. Donc moi, je n'ai aucun problème de faire confiance à ce qu'on

me dit. Quant au bruit, nous avons fait un monitoring mensuel du niveau de bruit et pour le moment ils sont en excès de la bar de 60 dB et il est prévu que ce sera dans la rangée de 50 dB. Lorsque les machines seront en opération, nous irons chacun avec nos mesures de décibel pour voir qui a raison.

**Madam Speaker:** Next question, hon. Osman Mahomed !

### **METRO EXPRESS PROJECT - FEASIBILITY REPORT**

**(No. B/258) Mr Osman Mahomed (Third Member for Port Louis South & Port Louis Central)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the Metro Express Project, he will state the latest calculated internal rate of return thereof and the benefits to costs ratio thereof.

**Mr Bodha :** Madam Speaker, to understand the updated Internal Rate of Return and Benefits Cost Ratio calculations, we need to refer to the computation and projections made by the Singapore Cooperation Enterprise in their MLRT Feasibility Report dated October 2013 and which was accepted and endorsed by the then Government.

Thus the policy decision to proceed with the said MLRT project on the basis of the said Feasibility Report was taken by the previous Government.

The feasibility study provides a thorough analysis of the financials of the project along with, *inter alia*, a detailed assessment of the social and economic aspects of the project.

Madam Speaker, to fund the project, the then Government had decided to raise a loan of USD850 m., equivalent to approximately Rs31 billion at today's rate of exchange. Because of the likely impact of such a debt on the shoulders of the population, this Government made it very clear in its electoral programme that we will reassess the decision of the previous Government after reviewing the financials of the project, which we have done.

The workings leading to the IRR computed by SCE in their Feasibility Report, based on an assumed lifetime of the project of 20 years, are as follows -

- Present Value (in 2013) of Capital Project cost was Rs22 billion
- The present value of Estimated Operational Cost over a lifetime of 20 years was Rs12 billion
- Thus the Total Project Cost was Rs34 billion



Madam Speaker, SCE thus estimated the cash outflows of money to construct and operate the Metro Express to be Rs34 billion during its lifetime cycle of 20 years.

Now, let us look at the other side of the calculations leading to the IRR and to the BCR, that is the Revenue side. The money inflows, that is, the expected revenues would come mainly from passenger tickets and advertising on the trains and the stations. Based on an estimated 80,000 ridership on both directions during peak times and price of the bus fares prevailing at that time, that is, in 2013 and also on market surveys regarding advertising rates, the SCE came up with the following financial projections, under assumptions of a 4% per annum increase in ridership over the next 20 years -

- The present value of revenues from passenger tickets for 20 years was Rs18.3 billion
- The present value of advertising income was Rs0.4 billion
- The residual value of the project after 20 years was Rs4.9 billion
- Thus, the total expected financial benefits amounted to Rs23.6 billion

Madam Speaker, as you can see, if we match the total costs of Rs34 billion against the total benefits of Rs23.6 billion, over an assumed project lifetime of 20 years, we would have had a shortfall of Rs10.4 billion and that shortfall, which is indeed a funding gap would have to be met by Government from the Capital Budget. The project IRR (i.e. the Internal Rate of Return), as computed by SCE, the Singaporeans, would have been negative, that is, -1.32% and the BCR was rated at 0.69 that is less than 1. In other words, the project was not worthwhile, neither from the rate of return perspective nor from benefits to cost angle.

Those figures, Madam Speaker, are taken from the aforementioned feasibility study of October 2017.

Now let us calculate the BCR from the figures contained in the Feasibility Report. The SCE estimated that the gains from the wider socio-economic benefits (including such benefits as savings in travel costs, reduction in traffic congestion and accidents, less pollution, vehicle costs of operation) would be around Rs15.9 billion and calculated the BCR to be – as I said earlier - of 0.69 based on these figures, that is, less than 1.

But, Madam Speaker, things have changed substantially thanks to the initiative of this Government and the generous grant from the Government of India who agreed to finance a substantial part of the project cost of the Metro Express.

Madam Speaker, yes, India has been kind enough to award a grant of Rs9.9 billion exclusively for the Metro Express project, provided that the contractors and consultants come from India.

Madam Speaker, I will now elaborate the reason as to why the Metro Express has been revived by this Government for the benefit of the country. Two factors have fundamentally modified the financial outcomes of the said feasibility study -

- (a) the capital costs of the project has been reduced from USD850 m. (i.e. Rs31 billion at the present exchange rate), of the previous Government to an estimated Rs17.7 billion. This represents a savings of Rs13.3 billion.
- (b) a grant of USD275 m. from India, that is, around Rs9.9 billion.

Together, these two new elements reduce the project cost to our Government by no less than Rs23.2 billion. That is, a project which was earmarked to cost Mauritian taxpayers a capital outlay of Rs31 billion will now cost only Rs7.8 billion.

All things being equal, as regards operating expenditure, total financial revenues and total economic benefits, when we calculate the IRR and the BCR, based on these revised capital cost of the project, the figure turns out to be positive.

The BCR calculated from the same figure for the project will be greater than one.

A final figure will be known when the contract value will be known on the award of the contract.

Madam Speaker, I would like to add that it is a secret to nobody that the public transport system, be it in Mauritius or elsewhere in the world, is a loss- making sector and in order to maintain that service, in many countries Government had nationalized public transport services and in many other countries including Mauritius, where public transport is operated by the private sector, Government provides subsidies in order to maintain the viability of the project.

In Mauritius, all the four main bus owners (CNT, UBS, TBS and Rose Hill Transport), despite being heavily subsidised by the Government, are running and have been running at a loss. That is, they have a negative rate of return.

The Metro Express project should not be seen merely as a substitute to bus transport, or comprising a number of geographically based stations and a number of rails and trains. It should be viewed as a harbinger of a new, modern era of infrastructural and associated

economic developments in a number of major cities which include Rose Hill, Beau Bassin, Port Louis, Vacoas, Curepipe and Quatre Bornes. In the process of this project, it will induce billions of private sector investment, generate employment and boost GDP and economic growth for the country. It will enable a remodeling of the urban conurbation of Plaine Wilhems and reshape the economic, social and recreational landscape ...

**Madam Speaker:** Hon. Minister, do you have a long reply or are you nearly finishing? Because it has been already five minutes since you are replying.

**Mr Bodha:** ...of our society industry. In short, the social, economic, recreational and environmental returns will by far make the national project, boost the development process and become an engine of sustainable growth.

**Madam Speaker :** Hon. Osman Mahomed !

**Mr Osman Mahomed :** Thank you, Madam Speaker. From what I am reading from the notes, even the previous Government had a grant and it was Rs 6.5 billion. IRR is used to compare profitability of projects. Now, in the days prior to the general elections, the now Minister Mentor said: “Flyovers will be favoured because *Métro Léger* was not *rentable*”. Hon. Lutchmeenaraidoo said: “The project was not viable and it would require a subsidy of Rs3, so on and so forth”. And the hon. Prime Minister said ...

**Madam Speaker:** Hon. Osman Mahomed, the hon. Minister will not be able to reply to what other Ministers said!

*(Interruptions)*

Ask him direct questions!

**Mr Osman Mahomed:** ...that we are going *to traine sa boulet la!*

*(Interruptions)*

**Madam Speaker:** Hon. Jhugroo!

**Mr Osman Mahomed:** Now, what has fundamentally changed - *ceteris paribus*, everything else being equal – for the project to be viable now?

**Mr Bodha:** Listen! The project was costing almost Rs30 billion, only the project, then you have the operating costs. We have reduced the Rs30 billion to Rs17 billion and out of the Rs17 billion, we are getting a grant of 9.9. So, these are fundamental changes, nothing has changed. Nothing else has changed!

**Mr Osman Mahomed:** The project cost was Rs24 billion, but it has climbed up to Rs30 billion because the US dollar has appreciated from Rs30 to Rs37, dollar to rupee, meanwhile. Now, would the hon. Minister be able to confirm to this House, whether there has been a net lowering of the cost of the project as a result of elevated viaducts, now having come to road level, thereby the project not being a Metro Express anymore, but a simple tram?

**Mr Bodha:** First of all, I would like to say that there was no grant of the Indian Government to the former Government.

*(Interruptions)*

200 million dollars.

Second, there have been some cost-cutting measures and the lowering from the elevated alignment to grade is being done only in one area. It is from Curepipe to Vacoas. Everything else has remained the same.

**Mr X. L. Duval:** I have a few things to ask. I would like to ask the hon. Minister whether the cost of reconstructing all the infrastructure, *stade de Rose Hill*, etc, is that in the 17.7 billion because that also is going to be hundreds of millions of rupees, probably billions. And secondly, the cost of purchasing of land which we were told, a few weeks ago, was Rs2 billion. Where is that to be found in the IRR?

**Mr Bodha:** Madam Speaker, the cost of purchasing of land, be it for the former project or the project now, is at the Ministry of Housing and Lands.

*(Interruptions)*

No, but it was not there before.

*(Interruptions)*

*Non*, it is the same!

*(Interruptions)*

**Madam Speaker:** No, hon. Leader of the Opposition! Please!

*(Interruptions)*

Please!

*(Interruptions)*

Hon. Minister, please, sit down!

*(Interruptions)*

Please, sit down!

*(Interruptions)*

Hon. Minister, please, sit down!

*(Interruptions)*

Wait!

*(Interruptions)*

Order, please!

*(Interruptions)*

Order!

*(Interruptions)*

I have said several times...

*(Interruptions)*

Hon. Leader of the Opposition, I am on my feet and I am addressing the Assembly! Right!

*(Interruptions)*

If you can see, then it's better for you to carry on with the Standing Orders. Let me remind you that when you are in a sitting position, you can't talk to the Minister who is replying because you keep interrupting him.

*(Interruptions)*

**Mr Bodha:** We carry you by the Metro!

Madam Speaker, as regards the cost of land, be it in the other project or the new project, it is being taken care of by the Ministry of Housing and lands. He addressed the issue of the reconstruction of a number of structures, buildings which are going to be affected. That's how I explained that the former Metro, the MLRT was a railway line with a number of stations. What we are doing is we are remodelling the urban planning from Curepipe to Port Louis with 50 acres of land in the centre of the five, six cities which is worth hundred million per acre. We are providing those city centres for private investment into what we call 'the

urban terminals'. This is 50 acres of land. As regards the first urban terminal of Victoria, we had a request for proposal and a consortium of seven companies, local and international, have come forward to present a project. They are going to present their project next week. As regards the specific question of Rose Hill, the urban terminal of Rose Hill will cater for all the amenities that are there. I would like also to say something. There are a number of problems like congestion, parking, hawkers, office space, food courts which are, today, in a very unorganised manner. We are organising all of them, in the urban terminal so that when the train will enter a city, it will be *un espace vivant, un espace urbain vivant et non pas un cimetière de parking pour bus*.

**Mr X. L. Duval:** We all want in this House to have something called 'truth in accounting'. It may be that there may be better value in the land, that is one thing. But it is also undeniable that there are costs which have not been included. And what we are asking the Minister is to have truth in accounting, that is, all the revenues should be there, where it is land that is going left, right and centre or whether it is money that is being sent by another Ministry, that is of no concern to the taxpayer. The taxpayer wants to know how much it is really going to cost and what are the different revenues and I think the Minister owes this truth in accounting to the House.

**Mr Bodha:** Madam Speaker, you have the project of the Metro Express and you have a number of other projects which are going, just like in the past where we built railways, railways brought in cities. This is what happens! It is a booster of economy!

*(Interruptions)*

**Mr X. L. Duval:** It was a long answer. I will remind you, the Minister answered for about 10 minutes. What I wanted to say: is the hon. Minister aware of the vast changes between project cost and actual cost? Has Singapore done a sensitivity analysis to tell us how sensitive their projects are in terms of demand or in terms of cost as opposed to what is likely to happen in actual fact, sensitivity analysis?

**Mr Bodha:** I, again, answered last time, Madam Speaker. He was the Minister of Finance and Economic Development and Terre Rouge-Verdun spiralled twice. Second...

*(Interruptions)*

*Non, non!*

*(Interruptions)*

**Madam Speaker:** Hon. Thierry Henry!

*(Interruptions)*

Order!

*(Interruptions)*

Order!

*(Interruptions)*

Order, please!

*(Interruptions)*

Order, I said!

*(Interruptions)*

Hon. Thierry Henry!

*(Interruptions)*

Hon. Thierry Henry, please! Yes, Minister!

**Mr Bodha:** The second thing, Madam, is that this report dates back to October 2013 and in your budget, in November 2013, you based yourself on this report...

*(Interruptions)*

... you based yourself...

*(Interruptions)*

Did you then...

*(Interruptions)*

**Madam Speaker:** Order!

*(Interruptions)*

Order, please!

**Mr Bodha:** Madam Speaker...

*(Interruptions)*

Madam Speaker, I am asking whether there was a sensitivity analysis then when he put it in the budget?

**Mr X. L. Duval:** Madam Speaker, he asked me...

**Madam Speaker:** That is the last question!

**Mr X. L. Duval:** He asked me what...

**Madam Speaker:** That is not a PNQ.

**Mr X. L. Duval:** ...yes, there must have been...

Like you would think there would be no sensitivity analysis in a project like that.

**Mr Bodha:** I think that 'fool' is a non-parliamentary word, but I would like him to withdraw that word.

**Mr X. L. Duval:** Madam Speaker, I withdraw it, but still only someone very stupid would believe - that is parliamentary?

*(Interruptions)*

Okay, I withdraw that also, but you understand what I mean.

**Mr Bodha:** Madam Speaker, the management of the project will be done in such a manner that it will be done in the best competent manner. We do not want three things: cost overrun, delay in implementation and the third one, is quality of work. These have been the major issues of all the projects of the previous Government when he was a Minister of Finance and Economic Development.

**Madam Speaker:** Next question, hon. Osman Mahomed!

#### **DAGOTIÈRE & MARE TABAC – SOCIAL HOUSING – CONSTRUCTION**

**(No. B/259) Mr Osman Mahomed (Third Member for Port Louis South & Port Louis Central)** asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the project for the construction of some 700 social housing units at Dagotière and Mare Tabac, he will state the terms and conditions of the agreement to be signed between the Ministry of Housing and Lands, the National Housing Development Company Ltd. and the NBCC (India) Limited, for project management services in respect thereof.

**Mr Soodhun:** Madam Speaker, I have to inform the House that an Agreement between my Ministry, the National Housing Development Co. Ltd and the NBCC (India) Limited was signed on 20 March 2017 for the project management services for the construction of some 700 social housing units at Dagotière and Mare Tabac with the grant



assistance received from the Government of India to the tune of US \$ 20 million for the implementation of social housing projects.

The Agreement provides for NBCC (India) Limited to be responsible for consultancy services for the project, which include the planning, designing and the preparation of the detailed scope of works, preliminary estimates of the project, preparation of the tender documents, the launching of the tenders for the works and the evaluation of the bids received.

NBCC (India) Limited will also be responsible for the supervision of the works to ensure its timely completion, compliance with environmental standards, health and safety requirements and verification of bills and measurement of works.

Madam Speaker, for these services, NBCC (India) Limited will be paid a fee amounting to 5.5 per cent of the actual cost of work. These charges shall be paid out of the grant assistance received from the Government of India, on a *pro rata* basis, depending on the progress of work, as recommended by the National Housing Development Co. Ltd.

The NHDC shall act as the implementing agency, advising my Ministry on each and every aspect of the project in accordance with the Agreement and proposals made for the construction of the housing units. It shall also make appropriate and timely recommendations prior to payments being released.

Madam Speaker, the Agreement also provides for, *inter alia*, the following –

- (i) construction of the housing units to be completed within 18 months after the date of award of the contract and a defect liability period of 12 months after completion of works;
- (ii) exemption or refund of customs/excise duties related to materials, machinery, vehicles, including second-hand vehicles, and/or equipment imported into Mauritius for the provision of the Services;
- (iii) regulation of income tax to be levied on Indian Contractor/Consultant to be in accordance with the provisions of the agreement for the avoidance of Double Taxation and the Prevention of Fiscal Evasion concluded between the Government of India and the Government of Mauritius, and
- (iv) submission of a certified monthly statement of expenditure for the works carried out to enable release of payment.

**Madam Speaker:** Hon. Osman Mahomed!

**Mr Osman Mahomed:** Thank you. I understand that this came in a package with the 20-million dollar grant from the Indian Government. 5.5 per cent means 1.1 million dollars. So, Rs40 m. for project management services. Does that include quantity surveying services, architectural services and engineering services as well? Because Rs40 m. is quite a heavy amount, the hon. Minister will concur.

**Mr Soodhun:** Yes. Let me also inform my hon. friend that, for example, in Mauritius, we are taking into consideration as we used to contract for NHDC housing units. Currently, 10 per cent of the project cost is spent by the Government on housing projects, representing 3.5 per cent of the project cost for the project management services to NHDC Ltd. and 6.5 per cent of the project cost for consultancy services being payable to the consultant. That means it is still less than what we pay in Mauritius.

**Madam Speaker:** Hon. Osman Mahomed!

**Mr Osman Mahomed:** Thank you, Madam Speaker. Will there be the same kind of restriction in terms of contractor? Is there any strings attached? Do we need to go for certain specific contractors or is it free, for normal tendering process, for the Government to decide?

**Mr Soodhun:** As I mentioned, the Government of India has the sole responsibility for the tender of the contract. I am sure that the Government of India is not going to bring *macons*, *manève macons* or whatever it is. I think we will be able to provide same in Mauritius and it will cost less than what it will cost in India.

**Madam Speaker:** Hon. Adrien Duval!

**Mr A. Duval:** Thank you, Madam Speaker. What we understand from the hon. Vice-Prime Minister's reply is that the project is still at planning phase. Construction has not yet started. Can he tell us whether construction has started for any other housing project in Mauritius since this Government has taken office?

**Madam Speaker:** Hon. Adrien Duval, this...

*(Interruptions)*

Hon. Adrien Duval...

**Mr Soodhun:** I think it is a very silly question!

*(Interruptions)*

**Madam Speaker:** Hon. Adrien Duval, this question relates to Dagotièrè and Mare Tabac. The hon. Member knows fully well that he cannot ask questions which are outside the context of this question! Next question!

**(No. B/260) Mr Osman Mahomed (Third Member for Port Louis South & Port Louis Central)** asked the Minister of Social Integration and Economic Empowerment whether, in regard to the Social Register of Mauritius, he will state the total number of eligible families that have been registered thereunder, giving a breakdown thereof, constituency-wise.

**The Minister for Arts and Culture (Mr P. Roopun):** Madam Speaker, with your permission, I am going to reply to this Parliamentary Question. As the House is aware, a new poverty threshold of Rs2,720 per adult, up to a maximum of Rs9,520, depending on the family size, was introduced in the Budget Speech 2016/2017.

As of December 2016, there was a total of 8,340 eligible households, including 1,810 from Rodrigues who were registered under the Social Register of Mauritius, based on the new poverty threshold.

The registration of households under the Social Register of Mauritius (SRM) is an ongoing exercise. As at 14 April 2017, a total of 8,691 eligible households, including 1,955 from Rodrigues, were registered under the Social Register of Mauritius.

I am informed that the data of eligible households under the Social Register of Mauritius are kept on a district-wise basis and not on a constituency-wise basis.

In this regard, the lowest number of eligible households is 394 in the district of Moka and the highest number is 988 in the district of Port Louis.

A breakdown of the 8,691 eligible households under the Social Register of Mauritius, district-wise, including Rodrigues, is being tabled.

**Madam Speaker:** Hon. Osman Mahomed!

**Mr Osman Mahomed:** Thank you, Madam Speaker. My purpose in sending this question is basically for Port Louis because we come across, as Members of Parliament, many cases of poor people who have applied for this facility. Yet, they have not received a reply or any attention. So, may I request the hon. Minister, although I know he is not the substantive Minister, how much is the backlog yet to be cleared at the level of the Ministry?

**Mr Roopun:** Madam Speaker, may I state that this exercise is an ongoing exercise. I don't have the information regarding pending applications insofar as the Social Register is concerned, but if I may state, with your permission, regarding an issue which was raised at adjournment and which is related to the SRM, we have, insofar as persons who have been

found not eligible, some 873 complaints which have been received. An *ad hoc* committee met on four occasions and has so far examined 218 complaints, out of which 46 cases have been referred to the National Empowerment Foundation and the Ministry of Social Security and National Solidarity for further investigation. The other 172 applicants have been informed officially of the reasons for their non-eligibility under the Social Register. The outstanding 655 complaints are being looked into by the *ad hoc* committee, and by the end of this week, this backlog, insofar as complaints are concerned, is going to be dealt with.

**Madam Speaker:** Hon. Osman Mahomed!

**Mr Osman Mahomed:** Thank you. I think the answer is quite clear, but the hon. Minister has mentioned an ongoing exercise. But there was a deadline for application last year. I think it was September, if I am not wrong, and the hon. Minister was the substantive Minister then. So, am I to understand that, by the end of this week, all those people who have applied by September 2015, should they not receive a letter that they are no longer eligible, that this is done with and there is no coming back to their cases?

**Mr Roopun:** May I just state, Madam Speaker, that the registration is an ongoing exercise.

**Madam Speaker:** Hon. Abbas Mamode!

**Mr Abbas Mamode:** I am made to understand, Madam Speaker, that in four constituencies, that is, the whole of Port Louis, we have only 988 *maisons de pauvreté, ce qui ne reflète pas la réalité*. Donc, je voudrais demander au ministre quelles sont les mesures que le ministère propose pour faire un recensement réel concernant la ville de Port Louis parce que le chiffre 988 ne reflète pas la réalité.

**Mr Roopun:** Madam Speaker, I don't agree with the hon. Member. But if there is any particular case where the hon. Member feels that the exercise has not been done, I'll ask him to inform the substantive Minister and I am sure that this will be taken care of.

**Mr Ameer Meea:** Madam Speaker, in cases where they have been rejected, is there any forum where they can appeal for the decision?

**Mr Roopun:** Yes, the law provides for a review mechanism.

**Madam Speaker:** Last question, hon. Osman Mahomed!

**Mr Osman Mahomed:** It's stemming from that same question; the circumstances in which people are change over time. Some time, they get worse with time. So, will the

Ministry consider the application afresh or based itself on whatever it has in its databank to automatically turn down the request?

**Mr Roopun:** I understand it's an ongoing exercise, but I can't say outright over what period an applicant can reapply.

**DENTAL COUNCIL - CONTINUING PROFESSIONAL DEVELOPMENT  
COURSES/TRAINING PROGRAMMES**

**(No. B/264) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Minister of Health and Quality of Life whether, in regard to the Continuing Professional Development (CPD) courses/training programmes, he will, for the benefit of the House, obtain from the Dental Council, information as to the –

- (a) rationale why the dental surgeons are required to follow same while the dental specialists are exempted therefrom and
- (b) number of sessions thereof held as at to date, indicating the names, graduation date and the number of years of experience of the lecturers of the CPD providers.

*(Withdrawn)*

**DRUGS (ILLICIT) - IMPORTATION**

**(No. B/266) Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Rt. hon. Minister Mentor, Minister of Defence, Minister for Rodrigues whether, in regard to illicit drugs, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the measures recently taken to deter the importation thereof.

*(Withdrawn)*

**FLACQ – PHOTOVOLTAIC SOLAR FARM - IMPLEMENTATION**

**(No. B/267) Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Deputy Prime Minister, Minister of Energy and Public Utilities whether, in regard to the proposed implementation of the Photovoltaic Solar Farm 12.24 MW Project by Voltas Green Ltd., at Queen Victoria in Flacq, he will, for the benefit of the House, obtain from the Central Electricity Board, information as to where matters stand.

*(Withdrawn)*

**TAYSUN CORPORATE SERVICES LTD - CHANGE IN OWNERSHIP -  
APPLICATION**

**(No. B/268) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Minister of Financial Services, Good Governance and Institutional Reforms whether, in regard to the application for change in ownership of Taysun Corporate Services Ltd. in 2017, he will, for the benefit of the House, obtain from the Financial Services Commission, information as to the –

- (a) date on which the
  - (i) application therefor was received and
  - (ii) application thereof was approved and
- (b) who approved the application.

*(Withdrawn)*

**HAJJ PILGRIMAGE 2016 – PROCUREMENT PROCEDURE**

**(No. B/269) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Minister of Arts and Culture whether, in regard to the contracts for the accommodation of pilgrims for the 2016 Hajj pilgrimage in both Makkah and Madinah, he will, for the benefit of the House, obtain from the Islamic Cultural Centre, information as to –

- (a) the procurement procedure followed therefor;
- (b) who negotiated and signed the contracts on behalf of the Centre;
- (c) who authorized the execution of the contracts, and
- (d) if there was any breach of contract in respect thereof.

*(Withdrawn)*

**LOIS LAGESSE TRUST FUND – CHAIRPERSON & GENERAL  
MANAGER - APPOINTMENT**

**(No. B/270) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Minister of Social Security, National Solidarity, and Environment and Sustainable Development whether, in regard to the Lois Lagesse Trust Fund, he will, for the benefit of the House, obtain therefrom, information as to the names, qualification and terms and conditions of appointment of the -

- (a) Chairperson thereof and
- (b) General Manager thereof.

**Reply:** The Loïs Lagesse Trust Fund was set under the Loïs Lagesse Trust Fund Act of 1983.

The Fund is managed by a Board of Trustees and consists of members appointed pursuant to Section 5 of the Act.

With regard to part (a) of the question, I am informed that Mr. Nishi Raj Kamal Rambans Dookun has been appointed as Chairperson for a period of two years as from 19 May 2015. He is a Bank Manager and holds a Diploma in Computer System Design from the Association of Computer Professionals-UK. He is being paid a monthly allowance of Rs 11,700 and a monthly travelling allowance of Rs 4000.

As regards part (b) of the question, I am informed that the post of General Manager is currently vacant.

The seniormost officer of the Loïs Lagesse Trust Fund, Mrs Koveelambal Ramen, has been assigned duties of Officer-in-Charge for the time being against payment of a monthly allowance of Rs 10,000. She is the Finance Officer of the Fund and draws a monthly salary of Rs.20,250. She holds a BA (Hons) in Economics with Management Studies from Napier University.

### **APOSTLE INTERNATIONAL MANAGEMENT SERVICES LIMITED - INVESTIGATION**

**(No. B/273) Mr S. Bhadain (Second Member for Belle Rose & Quatre Bornes)** asked the Minister of Financial Services, Good Governance and Institutional Reforms whether, in regard to Apostle International Management Services Limited, he will, for the benefit of the House, obtain from the Financial Services Commission, information as to the outcome of the investigation initiated in relation thereto, indicating the regulatory actions taken against the said company as at to date, if any.

*(Withdrawn)*

**Madam Speaker:** The Table has been advised that PQ. Nos. B/266, B/267, B/268, B/269 and B/278 have been withdrawn. Time is over!

### **MOTION**

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

**The Prime Minister:** Madam Speaker, I move that all the business on today's Order Paper be exempted from the provisions of paragraph (2) of Standing Order 10.

**The Deputy Prime Minister rose and seconded.**

*Question put and agreed to.*

**Madam Speaker:** I suspend the sitting for half an hour.

*At 4.25 p.m. the sitting was suspended.*

*On resuming at 5.07 p.m. with Madam Speaker in the Chair.*

### **STATEMENT BY MINISTER**

#### **CEB – COMPANIES – PROCUREMENT EXERCISE**

**The Deputy Prime Minister:** Madam Speaker, this morning in the course of supplementary questions to the Private Notice Question, the hon. Leader of the Opposition stated that clause 6(3) of the Finance (Miscellaneous Provisions) Act 2016, had amended the Central Electricity Board Act, so as to provide that, I quote –

“The Public Procurement Act shall not apply to any procurement exercise effected by a company set up under this subsection.”

I have checked this statement and I can affirm that it does not reflect the exact position. In fact, the document which the hon. Leader of the Opposition tabled this morning is a copy of an extract of the Finance (Miscellaneous Provisions) Bill and not a copy of the Act.

I am now tabling a copy of an extract of the legal supplement of the Government Gazette of Mauritius No. 79 of 07 September 2016. In fact, Madam Speaker, section 6 of the Finance (Miscellaneous Provisions) Act No. 18 of 2016 published under that gazette amended section 10 of the Central Electricity Board Act to provide as follows –

“A company set up under subsection (2) shall be an exempt organisation within the meaning of the Public Procurement Act.”

The Public Procurement Act does apply to companies incorporated under section 10(2) of the Central Electricity Board Act and they are exempt organisations governed by section 3(2A) of the Public Procurement Act which in turn provides as follows –

“Every exempt organisation shall establish its own procurement rules in relation to such types of contracts as may be prescribed.”



Thank you, Madam Speaker.

**Mr X. L. Duval:** Madam Speaker, this is not a statement. This is a personal explanation. Therefore, am I allowed to intervene here?

**Madam Speaker:** Hon. Leader of the Opposition, this is a statement. In fact, allow me to tell you that I have checked all the relevant documents. I have checked the statement of the Deputy Prime Minister also and I can say that I am satisfied with the contents of the statement. So, I would invite the hon. Leader of the Opposition to take cognizance of the statement and of all the relevant documents as well, and if need be, he can come with a point of personal explanation.

**Mr X. L. Duval:** Madam Speaker, I understand that ministerial statement like this should not be of a controversial nature and obviously it is controversial here.

**Madam Speaker:** No! Hon. Leader of the Opposition, it is the duty of the Speaker to see to it that any statement which is made by any Minister is not controversial. So, that is why I said that I have checked all the relevant documents. I have checked the statement of the Deputy Prime Minister and I can say that I am satisfied with the statement. But I will give you the opportunity, if need be, after you have checked all the relevant documents, to come with a point of personal explanation.

*(Interruptions)*

Order! Order, please!

## MOTIONS

- (1) **CONSUMER PROTECTION (CONTROL OF PRICE OF PETROLEUM PRODUCTS) (AMENDMENT) REGULATIONS 2017 G.N No. 26 of 2017) - DISALLOWANCE**
- (2) **CONSUMER PROTECTION (CONTROL OF PRICE OF TAXABLE AND NON-TAXABLE GOODS) (AMENDMENT) REGULATIONS 2017 (G.N. NO. 30 of 2017) - DISALLOWANCE**

**Mr A. Ganoo (First Member for Savanne & Black River):** Madam Speaker, I beg to move the motion standing in my name on the Order Paper -

*“This Assembly resolves that the Consumer Protection (Control of Price of Petroleum Products) (Amendment) Regulations 2017, published under Government Notice No. 26 of 2017 and the Consumer Protection (Control of Price of Taxable and Non-*

*Taxable Goods) (Amendment) Regulations 2017, published under Government Notice No. 30 of 2017 and laid on the Table of the Assembly on 28 March 2017, be disallowed."*

**Mr Uteem rose and seconded.**

**Mr Ganoo:** Madam Speaker, this motion of disallowance questions and challenges the decision of Government to increase the price of Mogas from Rs38.85 to Rs42.70 and in the case of Gasoil from Rs29.50 to Rs32.45 per litre respectively.

The purpose of this motion, Madam Speaker, is, of course, to convince the House to disallow this unjustified increase in the price of these two products. But, it is also to provoke a debate with the view to reflect on and to question the rationale used by Government to increase the price of these two commodities through the different taxes and levies, to which I will come back later.

Madam Speaker, there are, in fact, two factors which account for the increase in the prices of the two products I just mentioned -

1. The international trend in the prices on the world market, and
2. The imposition and retention by Government of the different levies and contributions, which have been added up on the price of the two products after having landed in Mauritius.

With regard to the evolution of the prices of Mogas and Gasoil, there is one issue which I should like to raise at the very outset, Madam Speaker. The retail prices of Mogas and Gasoil are calculated on the reference price used by Government. It is on the basis of the reference price that the FOB and the CIF are calculated and on each occasion that new prices are calculated and proposed, a different reference price has been used. But there is still doubt on how trustworthy this reference price is and how reliable it is, Madam Speaker. The reference price is certainly not the FOB price since FOB price varies daily.

According to industry practice, FOB price is calculated on the average of two days before and two days after the lifting of the product. So, the question which I have to ask the Minister today is: what is the difference between the FOB price and the reference price? But we know how Government has reached the figure of the reference price? The Regulations of 2015 define 'reference price' as –

“An average of Platts prices for the 3 months prior, and 3 months subsequent, to a computation made under Regulation 3.”

But the question, Madam Speaker, is: how do we calculate the three months subsequent. We need - and the nation needs - clear information about this first issue and the hon. Minister must enlighten the consumers as regards the way the reference price has been determined because as I just said, it is based on the reference price that the CIF price of Mogas and Gasoil are calculated.

Madam Speaker, the Regulations define “CIF” or “cost, insurance and freight”, in relation to petroleum products, means the total sum of –

- (a) the reference price of the petroleum product;
- (b) the premium paid to the supplier;
- (c) freight, and
- (d) insurance;

Furthermore, Madam Speaker, since 2006, as we know, following the decision of the then Government to purchase our petroleum products directly from Mangalore Refineries and Petro Chemicals Ltd, since then the country has been in the dark with regard to the premium paid to the supplier and the contract value of these products.

Indeed, on 28 March of this year, a few days ago, the Minister indicated - to a PQ put to him in this House - that since the contract value of petroleum products is commercially sensitive in nature, he will not disclose its contents as it may cause serious prejudice to other parties and this in spite of the statement made by the hon. Minister to another PQ last year put by hon. Uteem that once the discussions are concluded with the Mangalore Refineries, he will appraise Cabinet to the outcome and inform Members of this House also about the discussions.

So, Madam Speaker, the point I am making here is that there are two issues which we are left in the dark. Firstly, the reference price; the way it is calculated; the regulations prescribed the three subsequent months; how is that calculated, and secondly, the premium which we are paying to the supplier and the premium is one of the elements of the CIF price as I just demonstrated. So, we come to the conclusion, Madam Speaker, although the regulations prescribe the manner in which the reference price should be calculated, yet it would seem to be an artificial calculation, the more so as it is difficult, as I just said, to ascertain how the projected three months price is calculated and since we don't know about the premium paid to the suppliers. Therefore, it would seem that there is a real lack of transparency in the real cost of these import products.

The other issue, Madam Speaker, with regard to the evolution of the prices of these products is as follows: since March 2013 up to February 2017, during a period of four years and on seven occasions, the retail prices of Mogas and Gasoil dropped from Rs52 in the case of Mogas to Rs38.85 and in the case of Gasoil from Rs43.95 to Rs29.50. During the course of four years, the price of these two products dropped. The reason behind this systematic decrease in the price of these products during the four years has been, of course, the fall of petroleum products to an average of 50% on the world market.

Indeed, Madam Speaker, during the period of September 2014 to March 2016, the drop was to the tune of 50% on the world market. 50% from 2014 to 2016! Indeed, in August 2014, one barrel of Brent was USD 110, whereas in January 2016, the same barrel fell down to USD 36, from USD 110 to USD 36 from August 2014 to January and February 2016.

Yet, Madam Speaker, the Mauritian consumer has never benefitted for a decrease to the same tune and the reason for this situation is principally because of these different levies and taxes applied on these products to which I shall come back later.

Whenever there was a fall with regard to the retail prices, on the seven different occasions, the fall was very minimal. It varied from Rs2 to Rs4 per litre. For example -

- In March 2013, 1 litre of Gasoline costs Rs52.25.
- On 20 August 2014, it dropped to Rs50. A fall of Rs2.10.
- On 21 November 2014, it further dropped to Rs47.90, representing a fall of only Rs2.75.
- On 06 December 2014, it fell further to Rs45.94, a fall again of nearly Rs2.
- On 14 November 2015, it fell to Rs41.35, a fall of Rs4.
- Finally, on 04 February 2016, 1 litre of Gasoil dropped to Rs38.35, which represents a fall of Rs2.50.

Yet, on the world market, as I said, the price of these products had dropped drastically and instead of passing on these benefits in the same proportion to the Mauritian consumers, because of our price structure, it replenished the coffers of the State Trading Corporation.

Therefore, Madam Speaker, what can one argue when we look objectively at that state of affairs? One can, therefore, safely argue that the retail prices of these products in Mauritius are not determined by the trend in the prices of the world market but, in fact, it is decided; the

price of retail prices is determined in Mauritius by what has been called a 'fiscal wall', to which I would come later, Madam Speaker.

No doubt, when we look at the price structure of the new retail prices, which are effective as from 15 February of this year which we are challenging today, by way of this motion of disallowance as spelt out in the communiqué of the STC, one can take cognizance of the huge tariff wall erected and resulting in the disproportionate increase of these essential inputs of our economic development.

Madam Speaker, the CIF price of 1 litre of Mogas, according to the press release of the STC, is Rs16.54 - Rs16.54 for one litre of *l'essence*.

Then is added upon this price the following –

1. An excise duty of Rs10.80;
2. The levy of Maurice Ile Durable of 0.40 cents;
3. The contribution to the Road Development Authority of Rs1.85;
4. The contribution to the notorious Build Mauritius Fund of Rs4.00;
5. The contribution to subsidy on LPG, flour and rice to the tune of R2.70;
6. The contribution to the storage facilities for petroleum products;
7. The STC operational expenses 0.35 cents;
8. The oil companies' operational expenses of Rs1.82 which represents in all an additional huge tariff of Rs25.00 over the CIF price of Rs16.54, which I just mentioned, which is the CIF price.

And it is nearly the same for diesel, for gasoil, Madam Speaker, except in the case of diesel, the excise duty is Rs3.03 instead of Rs10.08 as it is for gasoil.

Therefore, the CIF price of *l'essence* from Rs16.55, it shoots up Madam Speaker. Similarly, in the case of diesel from Rs15.67, it shoots up because of these additional levies to Rs24.72.

But that is not all, worst is to come, Madam Speaker, and this is *la cerise sur le gâteau*. The above levies, duties, contributions which I just referred to, which, in fact, constitute a plethora of taxes coached in different names, are then subjected to the value added tax of 15%. This imposes an additional burden of Rs5.56 on the consumers for mogas and Rs4.25 for gasoil, for diesel, Madam Speaker. So, this explains why the initial retail price of Rs16.54 rises to Rs42.00 for 1 litre of Mogas.

In the case of gasoil, of diesel, Madam Speaker, according to the official communiqué of the STC, it shoots from the CIF price of Rs 15.67 and when the different levies, duties and contributions are added together, the retail price *à la pompe* shoots up to Rs32.45 - in the case of diesel from Rs15.67 to Rs32.45.

Donc, Madame la présidente, c'est pourquoi la population doit savoir à travers ces prélèvements et ces *levies* comment le consommateur finance une multiplicité de fonds. Le consommateur est saigné à blanc de tous les côtés. C'est lui qui renfloue les caisses de la STC et du gouvernement à travers tout un éventail de levies injustes et punitifs que lui imposent les autorités.

Le pire comme je viens de le démontrer, Madame la présidente, c'est que la TVA est imposée sur le coût CIF mais aussi sur le coût global représentant tous ces *levies*. Evidemment, cela explique pourquoi le prix à la pompe est gonflé davantage.

Pourquoi c'est injuste, Madame la présidente? Prenons le cas du *levy* pour le *Road Development Authority* qui est de R 1.85 par litre dans le cas de l'essence et R 1.75 dans le cas du diesel qui vont dans les caisses de la Road Development Authority.

Nous savons tous que le propriétaire de toute voiture verse à l'Etat déjà une somme conséquente pour sa vignette de circulation.

Madam Speaker, let us now scrutinise and compute the amount of money collected through the taxes and diverted to these different funds.

En ce qui concerne le *Build Mauritius Fund*, si nous faisons le calcul sur une base de 250 million de litres d'essence que nous importons, que nous consommons et 300 million de litres de diesel que nous consommons également pour l'année 2016, Madame la présidente, nous allons voir, comme je viens de le dire l'Etat impose un prélèvement de Rs4 par litre dans le cas de *Build Mauritius Fund*. Donc, sur les 2 produits, un petit calcul, multiplier 550 millions de litres d'essence et de diesel par 4, le montant collecté serait alors R 2.2 milliards. R 2.2 milliards enlevées des poches des consommateurs et cela à travers un seul des *levies* imposés.

Dans le cas du *Road Development Authority*, le *levy* sur chaque litre d'essence est de R 1.85 et R 1.75 respectivement.

Sur la base de la même consommation, du même volume, 250 millions de litres d'essence et 300 million de litres de diesel importés pour une année, le montant revient à 250

million fois R 1.85 et 300 million fois R 1.75 qui nous revient en tout à R 987,500,000 - donc, presque qu'un milliard. Encore une fois, Madame la présidente, la STC empêche presque un milliard dans le cas du *Road Development Authority*.

Dans le cas du MID *levy*, Madame la présidente, le Maurice Ile Durable, une organisation défunte, le gouvernement encaisse toujours, parce que d'après le *Press Release*, le communiqué du STC which was issued le 14 février, *we can see* Maurice Ile Durable : Mogas c'est 0.3, Gasoil c'est 0.3 également. Donc, pour une organisation défunte, le gouvernement encaisse R 0.30 par litre, même avec la mise à mort de ce fond, *we are in the dark*. Le Ministre pourra-t-il nous confirmer que la somme encaissée passe directement dans le *consolidated fund*? On ne sait pas Madame la présidente mais ce qu'on sait dans le dernier rapport du directeur de l'audit – special funds : financial statement certified but not yet laid before the National Assembly entre plusieurs organisations qui ont été listées, je vois que la quatrième organisation se nomme Maurice Ile Durable fund, that is, the statement has been certified but has not yet been laid before the National Assembly. Donc whatever, Madame la présidente, une organisation qui n'existe pas et dans un document officiel les consommateurs ont toujours à payer trente sous par litre, un bel exemple de Bonne Gouvernance. En tout cas, c'est ce qu'on peut dire dans le cas de MIT.

S'agissant de la contribution of subsidy to LPG, flour and rice qui est de l'ordre de R 2.70 pour chaque litre d'essence et de diesel, le gouvernement dans ce cas encaisserait, Madame la présidente, presque 1.5 milliards de roupies et combien nous coutent les subventions sur le riz, la farine et le LPG? Le Ministre pourrait bien nous éclairer pour nous rassurer que le 1.5 milliards de roupies, encore une fois, enlevé de la poche des consommateurs, est utilisé dans sa totalité pour ses subsides. En quelques mots, Madame la présidente, des milliards à gogo si nous continuons à faire l'exercice avec tous les autres contributions ou *levies*.

Monsieur Kasenally, que nous connaissons tous, expert dans la matière, a estimé le total récupéré par le STC, à travers ces fonds, à quatorze milliards de roupies pour l'année 2016, Madame la présidente; en d'autres mots des milliards que les autorités ramassent à la pelle à travers les différents prélèvements. Ceci est injuste et inadmissible puisque de telles taxes ne peuvent être imposées sur des items qui ne sont pas des produits de luxe mais qui sont des nécessités pour le développement économique de notre pays.

Vous comprendrez, Madame la Présidente, notre déconfiture, notre motivation en présentant cette motion devant cette auguste Assemblée.

**Mr Ganoo** : Le but est de préserver et de protéger la classe moyenne mauricienne qui s'appauvrit d'année en année.

Un pays en voie de développement comme Maurice, aurait dû faire de son mieux pour éviter de passer les augmentations du prix des carburants aux consommateurs afin d'éviter de fragiliser davantage cette classe vulnérable de la population pour qu'elle ne bascule pas dans la pauvreté, Madame la présidente.

Rappelons-nous du dernier rapport de la Banque Mondiale sur l'*Inclusive Growth* datant de 2014, qui fait état de la pauvreté grandissante de la classe moyenne à Maurice.

La situation est alarmante parce que le rapport fait état d'un glissement de la classe moyenne de 79% en 2007 à 77% en 2012 et que le '*lower middle class*' continue à diminuer de 30% en 2007 à 24% en 2012.

Madam Speaker, as I just said, most developing and emerging countries rarely, if at all, fully pass through increases in international fuel prices to domestic retail prices out of concern for the household, the commuters and the economy, and not to stifle development.

Part of the reason for the introduction of automatic fuel pricing mechanism is to cushion any adverse impact on tax revenues and tax volatility, permit a price smoothing and avoid sharp price changes of fuel.

While most countries, Madam Speaker, are motivated by a desire to protect the consumer and create the climate for sustained economic growth and development, the structure of the Mauritian Fuel Price Mechanism departs from the first principle of a caring Government, which does not put people first but tax revenues and balancing the budget as a matter of the highest priority. Balancing the budget is of course vital. Achieving a sound fiscal balance is a laudable initiative, Madam Speaker, provided this Automatic Price Mechanism does not unduly distort the market prices, stifle development, create greater administrative costs, and does not add to incoherent policies that raise the cost to the taxpayer.

The manner the Automatic Price Mechanism is structured is nothing more, Madam Speaker, than a vehicle to milk the average consumer and to undermine the development



potential of the country. *Le consommateur est réduit à une vache à lait, Madame la présidente.*

There are alternative and cheaper ways to balance the budget and raise revenue.

En effet, Madame la présidente, il est compréhensible que l'État trouve de nouveaux moyens et ait recours à de nouvelles mesures pour renflouer ses caisses mais il est injuste de tondre les consommateurs systématiquement.

Pourquoi l'État n'a-t-il pas songé à taxer les grosses cylindrées, les voitures de plus de 2500cc, les villas dans les endroits huppés qui aujourd'hui, Madam la présidente, se vendent à R 50 million, R 75 million ou R 100 million à Maurice. Pourquoi ne pas imposer une *solidarity tax* sur les *corporates* qui génèrent plus de R 100 million de profit par an. L'État, Madam la présidente, aurait dû puiser dans les profits des *Top 100 companies* pour un meilleur *burden sharing*.

We should be really concerned with the unfairness of the Automatic Price Mechanism (APM), its misguided objectives, vitiated over time because it is so easy to squeeze so much from the users of fuel.

At a time of growing impoverishment of the middle class and the working class, raising the price of a key component such as fuel in the basket of the household's consumption of goods adds to the lack of fairness in price setting because taxes and levies, Madam Speaker, have been grafted one over the other. In other words, taxes are imposed on taxes and artificially swell the prices.

It is true that in managing the economy efficiently, it is fair to pass through any international increases, and even better to smooth prices and cushion sharp increases. However, the APM, as we can see, is more concerned with replenishing Government coffers by fleecing the users and this impoverished the middle class.

The case of the Value Added Tax should be denounced rigorously as it is arbitrary, unfair and irrational. It should have been levied on the CIF prices and had this been done, VAT would have been less by 100%. VAT would have varied between Rs2.48 and Rs2.60 for Mogas and between Rs2.35 and Rs2.59 for gasoil instead of Rs5.56 and Rs4.25 as it is presently in view of the method that has been utilised, Madam Speaker.

This implies Government is being unfair, dishonest and overcharging the consumers by imposing such a formula which defies economic logic.

This is why, Madam Speaker, through this motion, we appeal Government to revise the formula and charge VAT based on the canons set out by Adam Smith (the Father of Economics), David Ricardo, the most famous of British Parliamentarian on tax and IMF publication.

On every litre, Government is charging Rs2.96 more on gasoil and Rs1.63 more on mogas. Government, therefore, has to review their notes, revise this method and return this money, if need be, to the consumers, which explains the motivation underlying this motion of disallowance.

It does not make sense, I repeat, Madam Speaker, to levy tax on contributions, levies and subsidies.

Value Added Tax in principle is a tax imposed at each level of transformation of the final product.

VAT can be justified only on CIF, STC's operational expenses and oil companies' operational expenses. Charging a tax on contributions, on levies and on subsidies is like levying a tax on another tax, that is, a surcharge.

Donc, Madame la présidente, de ce côté de la Chambre, nous condamnons cette pratique. Nous avons la perception, en effet, que le gouvernement est à la recherche de la moindre opportunité pour remplir les caisses du gouvernement sur le dos de la classe moyenne. And this is irrational. It would seem that Government welcomes any oil increase on the international market because this gives it an opportunity to collect more money.

The various contributions integrated in the final price distort the market price, add administrative layers for control, accounting and bookkeeping and adversely affect the international competitiveness of our exporting sectors.

Why should only car and other vehicle users subsidise rice, flour and LPG?

This subsidy should come from the budget to assist vulnerable people and not to fleece a small fraction of the population who own a motorcycle, a small car, a lorry or a bus, Madam Speaker.

While there is a case for subsidy of flour and LPG from the Budget, it is even now questionable whether ration rice should still be eligible for subsidy since most households have shifted to basmati rice which does not attract subsidy.

It is time for a survey to be carried out of the quantity of ration rice sold, their use and the amount of subsidy diverted from petroleum products.

Government has to take a holistic picture when introducing measures. Putting the burden of subsidies of a few goods on a limited number of people is an easy means of raising revenue but neither a fair nor a reasonable means.

The unfairness of the system, Madam Speaker, represents a misallocation of resources and calls for a disallowance of the new price.

Madam Speaker, car users have been contributing to various funds for several years and this policy was meant to be for a specific and short time. A fund by definition has a defined life. The users of oil products have a right to know for how long more they need to subsidise the whole population.

Trying to get tax revenue, the easy way is also fraught with the danger of rendering the export industry costlier. Export industry use fossil fuel directly to run their machines and indirectly to vehicle their workers and transport their raw materials and finished goods. The APM obviously jeopardises the export industry which is unfortunately shrinking day by day. When manufactured export industry is no longer competitive, they shed jobs and eventually close down with adverse repercussions on the Balance of Payments. This current APM structure is clearly a short-term measure, Madam Speaker.

Therefore, it is clear that this current pricing system has an in-built mechanism to add a spiralling rise in inflationary pressure. Each time the price is revised upwards these cumulative complexities contribute to raise inflation, hit people on fixed salaries such as pensioners, fishermen, taxi drivers, discourage small entrepreneurs and harm the small owners, Madam Speaker. That is why our plea today is for Government to review this system and eliminate some of the imposed contributions.

Madam Speaker, we should not view the whole issue as boiling down to a budget-balancing problem, immaterial of the harm it has the potential to do to society or the long-term progress of our country. The nation, finally, Madam Speaker, has a right to obtain a proper audit through an evaluation exercise of the use of these contributions and the achievements obtained and I hope the hon. Minister in his reply will shed more light on the use which is being made of all these sums of money which are being collected through these levies.

Madam Speaker, the solution, as it has already been suggested in this House by different Members of the Opposition, is to simplify the system which will be a big step to strengthening the welfare system for those in need. We are in fact unconsciously clogging the system and making it costly. We should resist short term expedient solutions and look to long term solutions that do not jeopardise our export industry by making them lose their international competitiveness.

Streamlining all these taxes and levies into a single tax, which should be directed to the Consolidated Fund for the better supervision and control by the Office of the Director of Audit, amalgamating the several levies into a single tax, Madam Speaker, would mitigate “cascading double taxation” effects as the simplicity of the tax would lead to easier administration.

Indeed, Madam Speaker, most of these funds to which so many billions are diverted and transferred do not fall in the net of the Director of Audit and escape control and oversight. Most of this money are simply stored and left unutilised. I can give you the example of the Build Mauritius Fund. We have heard a lot in this House, I have gone through all the Parliamentary Questions on the Build Mauritius Fund, we recently heard the different replies to the Parliamentary Questions. Last week, in fact, the hon. Prime Minister answered a question on the Build Mauritius Fund.

Madam Speaker, I can inform the House as far as the BMF is concerned that in the case of the water projects from January 2016 to June 2017, funds which were earmarked and revised estimates were of approximately Rs600 m. But from January 2016 à Mars 2017 only a meagre sum of Rs62 m. have been disbursed and spent by the CWA. That is only 13% of the funds which had been earmarked have been utilised, and I speak under the correction of the hon. Deputy Prime Minister. 87% left still lies dormant in the Build Mauritius Fund! This represents an under spending of Rs491 m. Madam Speaker.

So, therefore, so much money being left stored in all these different funds, unutilised, Madam Speaker, at the same time here the stabilisation accounts have been depleted while billions and billions of rupees are lying waste, idle in these different funds.

Regarding that Parliamentary Question I just referred to, Madam Speaker, in an answer put last week I think by hon. Uteem or hon. Jahangeer, I can't remember, the hon. Prime Minister stated, that was *le 07 avril* 2017, the balance in the Build Mauritius Fund stood at Rs5.3 billion. *R5.3 milliards!* And, in an answer to another supplementary question

on whether he would consider scrapping this Fund so that all the money will go to the Consolidated Fund, the Prime Minister conceded that there should be transparency and he will consult his colleague responsible for the STC to see how Government can move towards that end, Madam Speaker, very positive and I hope this in fact is the way forward, that is, for the sake of transparency studying the possibility of streamlining all these funds.

Madam Speaker, I have come to the end of my speech, but I would like just to say a few words on Government Notice. There are two Government Notices and as far as the other Government Notice No. 26 is concerned, we, of course, disagree with the content, with the amendment made, brought by this Government Notice because if I can read the Regulations properly, according to me, this would open the doors for further increase in the near future. Madam Speaker, Government Notice No. 26 of 2017 which now provides where in the case of each petroleum product the funds in the stabilisation account are less than Rs100 m. the products can be increased, Madam Speaker. So, we do not agree, of course, with this Government Notice also and that is why we are pleading, we are claiming that it be disallowed also.

Donc, Madame la présidente, en attendant que le Premier ministre vienne de l'avant avec une proposition pour rationaliser et *streamline* cet éventail de taxe et de *levies*, je propose officiellement au gouvernement de revoir à la baisse le prélèvement sur les différents *funds* et aussi de revoir sa copie sur la façon dont la TVA est calculée. En d'autres termes, comme je viens de le dire, Madame la présidente, imposer la TVA sur le prix CIF au lieu d'imposer la TVA comme cela se fait aujourd'hui, as we have just seen, Madam Speaker, with a lot of unfairness and injustice to the consumers.

This is why, Madam Speaker, I hope I have substantiated the reasons why, on this side of the House, we believe that this G.N. which has been laid on the Table of the Assembly, G.N. No. 26 and 30 of 2017 should be disallowed in the interest of the nation and the people.

I have done, thank you, Madam Speaker.

(5.45 p.m.)

**The Minister of Industry, Commerce and Consumer Protection (Mr A. Gungah):**  
Madam Speaker, listening to hon. Ganoo, it gives the impression that when this Government came to power in December 2014, we brought along with us, all these taxes. It is as if, before that, there was nothing, but we are the ones who are responsible to have imposed all taxes,

levies and others. But, still, I would like to thank hon. Ganoo for having come up with this motion because it gives me once again the opportunity to explain and provide information on the price structure and on the calculation of the prices of Mogas, *l'essence* and gas oil Diesel.

Madam Speaker, I have always been transparent in my approach. I have never missed any opportunity to explain to the population any change in prices of petroleum products, be it an increase or a decrease through press conferences and statements. The STC also regularly issues detailed communiqués to the media. In fact, Madam Speaker, Mauritius is one of the few countries where all the details of the price structure are provided to the public.

Since assuming office as Minister in December 2014, one of my priorities has been to ensure that the public has access to mogas and gas oil continuously and at the most affordable prices.

Madame la présidente, Les membres du gouvernement et de l'opposition sont appelés aujourd'hui à débattre sur un sujet complexe et qui touche toute la population. Je vais essayer d'être le plus clair possible. Mais avant d'entrer dans le vif du sujet, je dois souligner que, depuis décembre 2014, nous avons une meilleure gestion des affaires. On prend des décisions courageuses pour amener plus de justice sociale ; des décisions réfléchies pour éviter des pertes de plusieurs milliards comme dans le cas du *hedging*.

Nous devons être conscients que Maurice n'a aucun contrôle sur ce qui se passe sur le plan international, notamment sur le prix pratiqué par les producteurs de pétrole et aussi sur la politique des grandes puissances qui affectent l'économie mondiale. Tout changement de prix a de multiples répercussions pour la population, l'industrie et l'économie, et toute hausse de prix sur le cours mondial a un effet sur le prix d'achat du carburant à Maurice. Par exemple, sur le marché mondial, de janvier 2016 à février 2017, le prix du diesel a connu une hausse de 88% (35 USD/baril en janvier 2016 à 66 USD/baril en février 2017) tandis que le prix de l'essence a connu une hausse de 40% (De 400 USD la tonne en janvier 2016 à 561 USD la tonne en février 2017).

En dépit de cette hausse, nous avons pu garder le prix inchangé durant cette même période, bien sûr, en puisant plus de R 2 milliards du *Price Stabilisation Account*, et je reviendrai sur ce point un peu plus tard.

Madam Speaker, very often, we have comments and analysis in the media, newspapers and radios about the current Petroleum Pricing Mechanism. For the benefit of

hon. Members and the public at large, I consider it worthwhile to make a flashback on the methodology of the fixing of retail prices of petroleum products.

Until April 2004, the prices of petroleum products were fixed by the Ministry of Commerce. It is worth to note that, during the financial year 1999-2000, STC incurred a loss of Rs1.8 billion on petroleum products.

This is why, in April 2004, Government decided to introduce the Automatic Pricing Mechanism (APM), with the objective of passing all price changes on shipments of oil products to consumers. Thereafter, almost all APM exercises raised an outcry in the public, because consumers could not reconcile actual price movements on the world market with the APM's own price changes, and the main causes of misunderstanding were the lapses between the time of arrival of tankers, time of payment for imports, and time of application of new prices.

Consequently, in January 2011, Government introduced the Petroleum Pricing Mechanism, with the main objective to mitigate the effects of world price increases on actual retail prices. Although this system enabled prices to be maintained for a longer period, they did not always reflect the world market prices.

And to address this anomaly, Madame Speaker, I set up a Technical Committee in September 2015, with three main objectives -

- (i) to align the retail prices of mogas and gas oil with the prices on the world market;
- (ii) to allow consumers to benefit from falling prices of mogas and gas oil on the world market, and
- (iii) to mitigate rises in prices on the world market and to maintain stability on the local market by keeping the retail prices of mogas and gas oil at the same level over a longer period of time.

Madam Speaker, I must say that multiple scenarios and simulations were worked out in order to reconcile the reference price with the price on the world market and the retail price on the local market. It was not an easy task for the Technical Committee.

In November 2015, applying the recommendations of the Technical Committee, several changes were brought to the price structure and the Price Stabilisation Account. Let me highlight two of the main changes.

The first one concerned the reference price used to calculate the price of mogas and gas oil. And that is the first question which was asked by my friend, hon. Ganoo. In order to reflect more promptly changes in world market prices, the average period for the calculation of reference price was reviewed.

Allow me to give some details Madam Speaker. Before the amendments, the reference price was calculated on an average of 12 months (i.e. 6 months actual + 6 months Future Platts Prices). And here, I would like to precise that the Platts price is internationally recognised. It is a reference price that is internationally recognised for petroleum products and even the Futures, like I said, 6 actual months + 6 future months, are taken from the Platts itself; on the table that we receive from Platts. So, initially, it was 6 months before when 6 months after. Moreover, beyond and above that, there was a margin of 4% which was added to that figure.

Now, following changes brought to the Regulations, this average was revised to 6 months (i.e. 3 months actual + 3 months Future Platts Prices), and this time, without any margin. 0%. And I must say, Madam Speaker, that, indeed, this new formula resulted in the local price being much nearer to the world market price. I will give an example. On 13 November 2015, the Platts price on the world market for mogas and gas oil were respectively 446.50 USD/ metric tonne and 55.84 USD/*le baril*. So, on 13 November, the Platts price on the market for mogas was 446.50 USD/MT and for gas oil 55.84 USD/barrel. Now, on the same day, the Petroleum Pricing Committee met in Mauritius, and applying the new system, the reference prices for mogas and gas oil, after calculations, were respectively 485.52 USD/MT *pour l'essence* and 58.19 USD/barrel *pour le diesel*.

Now, if the PPC had applied the previous system, the reference prices on that date would have been for Mogas 532.24 USD/MT and for Gas Oil 60.78 USD/barrel. *C'est clair, Madame la présidente, qu'avec la nouvelle formule et le changement qu'on a fait pour calculer le prix de référence le 13 novembre 2015, la nouvelle formule est beaucoup plus près avec le prix sur le marché mondial.* So, it clearly shows that the new system is more beneficial to the population and it has resulted in the local prices reflecting more fully the prices on the world market.

Madam Speaker, hon. Ganoo was asking about CIF price. I would like to mention that CIF price represents, in fact, 39% of the retail price for Mogas and 48% for Gas Oil. Moreover, there are other elements that have to be taken into account for calculation of the



retail price. I'll go through them, Madam Speaker. That was the main change that was made when we changed the way of calculating the price of Mogas and Gas Oil.

The second change concerned the Price Stabilisation Account (PSA). The PSA is a fund which is used to maintain the price on the local market over a long period of time. Madam Speaker, as at 31 October 2015, an amount of Rs2.1 billion was accumulated in the PSA due to falling prices on the world market. Since there was no provision in the Regulations to allow funds in the PSA to be used to reduce retail prices, amendments were made in the Regulations to that effect. These amendments were made after much calculation, many simulations and in a very responsible way.

A ceiling of Rs1.5 billion (Rs600 m. for Mogas and Rs900 m. for Gas Oil) was set to mitigate future rises in the prices of petroleum products on the world market. The ceiling of Rs1.5 billion was there to maintain prices as far as possible. Any amount exceeding Rs1.5 billion has to be passed on to consumers in terms of price reduction and not to be kept in the PSA as in the previous system and that is the difference, Madam Speaker. Formally, we couldn't use any amount from that fund to pass on to consumers, but with the changes we made in the Regulations, as I explained, the responsible manner in which we did it, by keeping Rs1.5 billion in that fund to mitigate all increases, we could pass the surplus to the consumers as *des baisses dans le prix*.

Now, Madam Speaker, allow me to recall that it is only due to these changes that consumers benefitted from two consecutive price decreases -

- (i) in November 2015, when the retail price of Mogas was decreased by Rs4.60 per litre and that of Gas Oil by Rs2.75 per litre, and
- (ii) in February 2016, when the retail price of Mogas was decreased by Rs2.50 per litre and the price of Gas Oil by Rs3.25 per litre.

As such, since the application of the new formula in November 2015, consumers have benefitted from a total reduction of Rs7.10 per litre for Mogas and Rs6.00 per litre for Gas Oil. It is good to note, Madam Speaker, that had amendments not been brought to the Regulations in November 2015, the price of Mogas and Gas Oil would have increased by 10% since April 2016.

Madame la présidente, en puisant un montant de R 2.1 milliards du PSA, la nouvelle formule nous a donc permis de réduire et stabiliser les prix pendant une année. Toutefois, le *Price Stabilisation Account (PSA)* a des limites. Avec la constante hausse sur le cours

mondial depuis plusieurs mois, le fonds a été substantiellement réduit. De ce fait, le 14 février dernier, le *Petroleum Pricing Committee* n'avait d'autre choix que de recommander une augmentation maximale de 10% du prix de l'essence et du diesel comme stipulée dans les règlements.

Madam Speaker, questions have been raised on the importance of having a minimum balance of Rs100 m. in the PSA. Let me give some explanations. Before the amendments brought in the Regulations in February 2017, the funds in the PSA were being utilised till depletion and there was thus the risk that it becomes '*déficitaire*'. I have been advised by the STC that, to date, maximum loss for one product has reached up to Rs96 m. for one consignment. Almost Rs100 m.! With the increasing trend and volatility in the prices of petroleum products on the world market, there is a risk of the PSA becoming negative. So, what do we do as a responsible Government? We let the situation deteriorate? Negative Rs100m., Negative Rs200 m., or we take bold decisions like we have taken? So, in order to avoid such a situation, as a responsible Government, we have to be *prévoyant*. This is why Regulations were amended in February 2017 to introduce a minimum balance of Rs100 m. in the PSA for both Mogas and Gas Oil.

Cela nous permet d'avoir une marge de manœuvre pour mieux gérer des situations quand le prix du carburant flambe sur le cours mondial. Madam Speaker, let me now elaborate on the components in the price structure. Hon. Ganoo had asked several questions on the components, so I will to give maximum information, of course, on those elements on which I have information. I must say that, prior to 2011, the price structure comprised a lump sum only. A lump sum consisting of CIF, excise duty, *Maurice Ile Durable Levy* and provision for hedging.

And since January 2011, each item appears on its own in the price structure. Furthermore, the whole structure is published in the newspapers and on the website of the STC for the sake of transparency.

Madam Speaker, much has been said on the Build Mauritius Fund. This Fund, we all know, was introduced in January 2014 in the price structure and the objects of the Fund are to contribute to the –

- financing of the Mauritius Light Rail Transit Project;

- financing of other infrastructure projects or development schemes, aiming at more fluid traffic flows and improving the quality of the land transport system and service;
- financing consultancy, preparatory or advisory services in relation to Mauritius Light Rail Transit and land transport projects, and
- financing such other infrastructure project or development scheme related to the Build Mauritius Plan. And the Build Mauritius Plan focuses on –
  - (1) regular water supply and electricity at competitive prices;
  - (2) efficient and safe public transport;
  - (3) more fluid traffic flows, and
  - (4) infrastructure for greater connectivity with the rest of the world.

Madam Speaker, initially, a contribution of R1 per litre on Mogas and Gasoil was charged to provide bus operators with a subsidy of Rs1 m. per bus to purchase semi low-floor buses and renew the fleet of buses under the Bus Replacement Scheme. But I must say that the contribution of R1 per litre on the price of mogas and gasoil generates - here I would like to correct hon. Ganoo because he mentioned the figure of 550 million litres of petroleum products, that is, Mogas and Gasoil, but, in fact, in a year, the consumption of Mogas and Gasoil is 450 million litres not 550 because it makes a big difference. 100 million litres difference, that is why in your calculation you had much more amount than there should have been.

So, the contribution of R1 per litre on the price of Mogas and Gasoil generates around Rs450 m. in a year. Such amount, Madam Speaker, is, of course, not sufficient to meet the cost of these projects which I mentioned, hence the need for an increase in the contribution of that item in the price structure. And, in January 2015, the contribution was, therefore, increased by Rs3 per litre to cater for the other objectives of the Fund, principally for improvements to the water network and distribution system.

Madam Speaker, we are all aware that our water reticulation system is obsolete and needs a major overhaul. In this context, the Government has identified a number of priority projects which require high investment. And, as stated by the hon. Prime Minister, last Tuesday, in his reply to PQ B/163 on the Build Mauritius Fund, actions have already been initiated by the Ministry of Energy and Public Utilities and the Central Water Authority.

Now, Madam Speaker, let me comment on the item 'Contribution for the construction of storage tanks'. This item was introduced in the price structure in November 2015 to provide for the collection of 10 cents per litre on the sale of both Mogas and Gasoil for the construction of storage facilities for petroleum products. With the increase in our economic activities and in the fleet of vehicles, the demand has gone up and there is a real necessity to increase our storage capacity.

In this context, my Ministry, the STC and the oil companies have embarked on a project for the construction of additional storage tanks of the capacity of 25,000 metric tons. Our current storage capacity caters for only 25 days for Mogas and 30 days for Gasoil. This will bring our storage capacity for Mogas to 60 days and 50 days for Gasoil and the construction is expected to be completed by the end of this year.

And I must say, Madam Speaker, *c'était un des projets qui était dans les tiroirs pendant des années et des années*. And had we not taken decisions to go ahead with this construction, believe me, Madam Speaker, we could have reached a situation where there would have been disaster in this country. *Voilà exactement!*

Madam Speaker, as the House is aware, the retail prices for ration rice, flour and cooking gas are subsidised to provide these basic and essential commodities at affordable prices to our population.

In July 2006, the retail price of ration rice was fixed at Rs5.40 per half kg. In December 2008, the retail price of flour was fixed at Rs5.85 per half kg, and these retail prices have been maintained since those days, despite increase in the world prices of rice and flour and in the exchange rate.

And from January 2006 to April 2017, the exchange rate for 1 USD has increased from Rs31.50 to Rs36.50. This has caused an average yearly deficit of more than Rs400 m. on the item of subsidy in the accounts of the STC over the period 2011-2015. Just to mention, Madam Speaker, the total subsidy that was required in 2011: 1,169,000,000; 2012: 1,149,000,000; 2013: 1,355,000,000, and it goes on like that. Of course, there have been some fluctuations.

Therefore, Madam Speaker, this has necessitated an increase in the item 'Contribution for subsidy' from Rs1.50 to Rs2.70 in November 2015. Of course, the evolution of the prices of these commodities will be monitored and should there be leeway to review the contribution, we will do so.

Madam Speaker, the socio-economic development of Rodrigues stands high on this Government's agenda. The population in Rodrigues needs to have the same facilities and benefits with regard to commodities such as rice, flour, petroleum products and cooking gas. And, in order to keep the price of these products at par with those of Mauritius, the contribution has had to be increased from 16 cents to 41 cents on each litre of Mogas and Gasoil in November 2015.

This is what we call a caring Government, Madam Speaker. I wonder who cares about who because not being able to take responsibility while in the Government...

*(Interruptions)*

Madam Speaker, we should not focus only on the selling price of mogas and gas oil, levies and taxes. There are also key stakeholders in the supply and distribution chain, namely the oil majors and the owners/operators of petrol service stations.

The price structures of mogas and gas oil include the operating expenses and wholesale margin payable to the oil companies and retail margin payable to the owners/operators of petrol service stations. The present operating expenses and wholesale margin is Rs1.82 per litre for mogas and Rs1.66 per litre for gas oil. The retail margin is presently Rs1.814 per litre for mogas and Rs1.778 per litre for gas oil.

On a regular basis, representations are made to my Ministry for review of the margins from oil majors and retailers. Such requests are considered and, when found justified, are acceded to. Thus, in November 2015, there was a need to increase the margin for oil majors by 10 cents for mogas and 9 cents for gas oil, and 4 cents per litre for both mogas and gas oil for the retailers.

Madam Speaker, hon. Ganoo also spoke on the operational expenses of STC. Yes, Madam Speaker, there is an item 'STC's operational expenses' in the price structure and it amounts to 35 cents for mogas and 40 cents for gas oil. This amount caters for salaries, pension of STC employees, warehousing costs, rental of sheds, maintenance and renewal of equipment, charges in respect of offloading of tankers, financing of line of credits for procurement of petroleum products, cost of purchasing foreign currency and administrative expenses, among others *et tout est fait dans la transparence, Madame la présidente.*

Madam Speaker, anyone, following what is happening around the world, would realize that we are living in a more and more uncertain world. Recent events are already

having an impact on prices of petroleum products which are on the rise once again. The consequences will have to be dealt with, Madam Speaker.

Le gouvernement a fait un énorme effort afin de soulager la population, qui, pendant une année, a bénéficié d'une baisse de R 7.10 par litre sur l'essence et R 6 sur le prix d'un litre du diesel. Cette baisse a aussi été favorable aux opérateurs économiques. En sus de cela, le gouvernement a apporté une baisse de R 60 sur la bonbonne de gaz ménager de 12 kilos, ce qui a aussi été bénéfique pour l'ensemble de la population.

Nous avons pris un engagement d'améliorer le système de distribution d'eau et nous prenons les mesures qu'il faut en ce sens. Comme je l'ai affirmé plus tôt, le gouvernement fait des efforts afin que les produits de base soient accessibles à un prix abordable à toute la population. Il nous faut aussi trouver les moyens afin de financer les projets de développement.

To conclude, Madam Speaker, I have endeavoured to answer the queries and issues raised by hon. Ganoo. In so doing, I have also shared a lot of information on this complex matter to hon. Members of the House and to the population at large.

I have explained the necessity to introduce a minimum level of Rs100 m. in respect of both mogas and gas oil in the PSA and for the rise in the retail price of these two products in February 2017. We, thus, cannot support the motion of hon. Ganoo, Madam Speaker.

**Madam Speaker:** Hon. Baboo!

(6.22 p.m.)

**Mr S. Baboo ( Second Member for Vacoas & Floreal):** Madam Speaker, I would first like to extend my thanks to hon. Ganoo for tabling such a laudable appeal in this Assembly for the best interest of the population; a motion of disallowance on the unreasonable rise of 10% as per Regulation 5 (3) of the Consumer Protection Regulations.

Madam Speaker, as my good friend, hon. Minister of Industry, Commerce and Consumer Protection, was giving all the data of how the price rose and all that, but our aim today is to discuss about the price rise which is not fair for the population.

Madam Speaker, we all know the volatile nature of gas oil prices on international market and the upward trend in FOB prices on the world market. We also understand the Government's motivation for imposing fair and justifiable taxes. The price of gas oil on the world market has seemed quite stable during 2016 without any huge fluctuation, but yet there

were no huge fluctuations on our prices then. The motive of the unchanged price was in order to fill in the price stabilisation account and to absorb any future increase in prices which we have been taught to believe.

In UK, for example, petrol prices dropped sharply in early 2016 to about \$100 a litre when oil plunged to below 27 dollars a barrel, amid an oil glut. Whilst economists in the UK, in the run-up to the global financial crisis, were worried about oil prices being too high in 2007 and 2008, whereas last year, they were rather worried that they were too low.

According to the IMF, oil prices had fallen since 2014 and about 45% in 2015, putting a big dent in the revenues of oil exporters while providing oil importers an unexpected windfall. The oil price decline has provided a golden opportunity to initiate serious energy subsidy and taxation reforms that would lock in savings, improve the public finances and boost long-term economic growth. Again, according to IMF, getting energy prices right would help rationalise energy consumption and reduce its adverse effects on the environment. In emerging markets and developing economies, further reform of energies, subsidies and taxation could provide space for growth enhancing in spending in education, health and infrastructure as well as programmes for the poor.

Madam Speaker, there has always been collapse in oil prices which were subsequently followed by hike in prices. The world has experienced four large oil declines: in 1985-1986; 1990-1991, during the first Gulf war; in 2008-2009, during the global financial crisis, and the 2014-2015 one. The oil price is bound to increase. The STC, the Petroleum Pricing Committee and the concerned Ministries' role are to focalise on the longer-term price trends in the oil price, important to understanding what is driving movements in the prices. Unfortunately, we can say that the STC, the Petroleum Pricing Committee have failed in foreseeing the hike and taking appropriate prudential actions to offset the rapid increasing international prices. It shows that they have only been acting on the short term ending in the total exhaustion of the funds on the price stabilisation account.

Madam Speaker, if the price stabilisation account system is not working, you better dismantle it and look for more result-oriented system, like India abolished its Oil Pool Account and is looking for initiatives deriving long-term benefits like fuel shift, energy efficiency and better targeting of subsidies.

Madam Speaker, we request more transparency, answerability from the Government to come forward and clarify explicitly how the funds in the Price Stabilisation Account had

been used, the full extent of subsidies and how this has been recorded in the budget. Basically, passing the shock in international oil price to any individual petroleum product domestically depends upon –

- (i) the end user of which product can absorb the shock;
- (ii) to what extent they can absorb it, and
- (iii) depends upon the Government which is committed to protect economically vulnerable, weaker section of the society and actions to counteract this situation.

Had the Government no other choice than to pass on that 10% rise directly to the consumer?

Madam Speaker, an increase in petroleum products definitely has rebounding effect on food prices which we noted like the rise in the price of our eatables. Sellers automatically pass on the extra transport expenses to the customers. Several sectors are affected with the increasing price of petroleum products. There is a rebounding effect on manufacturing with the increase in the cost of production, increases derived from their machinery and an increase in transportation of their finished goods. The burden being, consequently, passed on to the end users, undoubtedly, has a hard impact on different economic indicators as well as the living standards of the country. If we take, for example, the escalating increases in tariffs of school vans, as we all know, there is no decrease in these tariffs in case of decrease in the price of petrol. Unfortunately, we can imagine the hard time at the end of the month of those vulnerable parents whose children travel by school vans.

Madam Speaker, our price structure of diesel and gasoline consists of various taxes and levies which account for the majority of the fuel price at the pump, which is unjustifiable and unreasonable, which shows that the whole burden is being put on the population who, in absorbing the rise, has to make contribution to the following -

- (a) Road Development Authority;
- (b) Maurice Ile Durable;
- (c) subsidy for flour, rice and LPG;
- (d) freight and storage for Rodrigues;
- (e) contribution for storage of petroleum products;
- (f) contribution to operation cost of STC.



There are several ways of taxing people and explaining the unreasonable high increase in the price of fuel. All the contributions account for more than 20% weighing significantly in the retail price.

Madam Speaker, on our fuel bill, we pay billions of rupees annually as levies from contribution to the Build Mauritius Fund for the development of infrastructural projects. In January 2014, the regulations regarding the sale of petroleum products were amended to provide for a contribution of one rupee per litre on both mogas and gasoil to the Build Mauritius Fund to finance the Bus Replacement Scheme. The STC price structure for petroleum products was further amended on 16 January 2015 to increase the contribution to the Built Mauritius Fund from one rupee to Rs4 per litre at the pump for the sake of developing the priority earmarked projects of the Government.

You would recall the hon. Prime Minister's answer to hon. Ameer Meea's question on the same Build Mauritius Fund at the last Parliamentary sitting whereby he mentioned that the accumulated funds in the Build Mauritius Fund has reached Rs1.6 billion for funds derived from levies on petroleum products and with a total running balance of Rs5.3 billion.

Further to the list of earmarked priority projects, the Prime Minister also informed that only Rs1 billion has been utilised so far. Though the Prime Minister ensured that transparent process will be used to materialise the projects, the population needs complete clarification on how their contributions are being utilised.

Madam Speaker, the National Audit Report 2016 has confirmed several areas of deficiencies and non-effective utilisation of public funds. Initial budgeted figures for infrastructural projects have had to be revised like the Rivière des Anguilles dam and the Bagatelle dam had been increased considerably with 25% increase and 80% increase respectively.

Madam Speaker, a tax is fair if it conforms to the benefit principle and is transparent. Then, why is the contribution to the Road Development Authority imposed on the fuel price? When owning a vehicle, its maintenance is already a financial nuisance for our people, lessening their ability to absorb any price rise. The motorists are already paying for -

- (a) registering their vehicle;
- (b) annual registration fees;
- (c) transfer of ownership;

- (d) reservation fee, renewal of permits and licence and so on.

Even to obtain information on a vehicle, a fee of Rs200 is payable to the National Transport Authority. Nothing is free at the National Transport Authority. However, the same type of service, for example, for a company's check at the Registrar of Companies is quick and free service. Nowadays, we can say that out of five, at least, one home has a private car. We should, therefore, cater fuel in the basket of commodity to calculate our Consumer Price Index which has a direct effect on the inflation rate of Mauritius.

According to Statistics Mauritius, our CPI, which stood at 109.4 in December 2016, registered a net increase of 3.1 to reach 112.5 in March 2007 due to higher prices of food items, clothing, gasoline, diesel and so on.

Madam Speaker, every country wants to decrease their inflation rate in order to convince investors to invest in their country. We hope that we are not getting to a situation of stagflation. With the introduction of the national minimum wage, we hope that this is not the Government strategy to blindfold the vulnerables and *camoufler* the high inflation rate.

**Madam Speaker:** Hon. Member, I would just ask you not to enlarge the debate too much, please!

**Mr Baboo:** Thank you, Madam. Will the minimum salary package be sufficient to counterpart the price rise of the basic necessities basket of the below middle class and middle class family? Is it evident that our people are experiencing a big decline in their purchasing power?

Madam Speaker, coming now to *Maurice Ile Durable* levy, MID was a project initiated by the last Government with the main objective of attaining a degree of self-sufficiency in energy, hence, targeting Mauritius to attain 65% in terms of renewable energy by the year 2025.

The MID or Mauritius Sustainable Island Fund purported to integrate a public-private partnership in the island in a multidisciplinary manner with the aim to reduce Mauritius dependency on fossil fuel by shifting it to clean renewable energy sources. The MID project was targeting 65 per cent self-sufficiency in renewables by 2028. The MID levy of 15 cents per litre on all petroleum products, 15 cents per kilo on LPG and 15 cents per kilo on coal were introduced and paid into the MID Fund in order to fund these projects.

Madam Speaker, the MID project was abolished by this Government. However, the *Maurice Ile Durable* levy is still existent and still weighing on our fuel bill. Excise taxes on petroleum products and on motor vehicles are two largest raise taxes in Mauritius. In the fiscal year 2008-2009 the fuel excise taxes raised by 2.2 billion or 4.7% of total tax collections while vehicle excise taxes raised Rs1.8 billion or 3.9 per cent of total tax collection.

Madam Speaker, the STC revenues, according to its annual report 2014 from transportation and storage of petroleum products and LPG to Rodrigues was of over Rs37 m. We want clarification on the reason for having the vulnerable pay for Rodrigues fuel transportation and storage, for the construction of storage facilities. Why must we contribute for subsidy on LPG, flour and rice? Should these not be taken care by the STC and its Price Stabilisation Account?

Madam Speaker, why must we pay for the operation expenses of the State Trading Corporation, a state owned company with annual turnover of Rs32 billion? According to the STC's annual report 2014 provision was made in the STC's budget for year 2015 and approval given for payment of dividend of Rs800 m. to the Government, construction of office building and warehouse for the storage of rice and flour for a total cost of Rs800 m. If the STC has such a robust financial status why then the Government is putting its hand further in the population's pocket and ripping them off with these unfair taxes?

*(Interruptions)*

Madam Speaker...

*(Interruptions)*

Madam Speaker, to conclude...

*(Interruptions)*

Madam Speaker, to conclude I would say that we are here to voice out what the public is saying, their needs and wants. I would request this august Assembly to take into consideration the best interest of the people and the alleviation of their burden and, therefore, vote for the revision of this rise of fuel by the elimination of these unfair levies. I do note that the Government is trying to reduce the long-term domestic demand and consumption and its import bill for petroleum products through the Road Decongestion Programme thus decreasing traffic jam and the use of solar and hydro power as sources of energy.

The increase in the price of fuel was foreseeable. Since OPEC had already decided to cut production as the economy was suffering due to oversupply. We would have expected an education phase by the concerned parties, the Ministry, the STC, the Petroleum Pricing Committee, on the possibility of a rise instead of transferring the sudden anticipated shock on the population.

Madam Speaker, the population cannot be penalised for the STC's, the Petroleum Pricing Committee's lack of planning, lack of anticipation and precautionary actions and for the total exhaustion of the Price Stabilisation Account. The Government should come forward with a fuel tax reform, the elimination of these unreasonable taxes which are burdening our people, a fuel tax regime that supports clarity, consistency and stability instead of ripping off the population.

Thank you, Madam Speaker.

(6.43 p.m.)

**Mr S. Rutnah (Third Member for Piton & Rivière du Rempart):** Madam Speaker, in very simple terms I will seek to persuade this House today that the motion brought by my very able and learned friend, hon. Ganoo, should be simply set aside in the best interest of the population and...

*(Interruptions)*

... we are not...

*(Interruptions)*

It is the term! Do you want me to use...

*(Interruptions)*

**Madam Speaker:** Hon. Members, if you try to interrupt him, then I will have to take action because when, on this side of this House, the hon. Members were talking, on the other side of the House they were listening carefully!

*(Interruptions)*

**Mr Rutnah:** Thank you, Madam Speaker. So, I think my very able and learned friend, hon. Mohamed, wants me to use the word 'disallow'. So I will use the word disallow, I will seek to persuade this House today to disallow the motion of my very able and learned

friend, hon. Ganoo, in the best interest of the population who are today watching us from their home on their screen.

Madam Speaker...

*(Interruptions)*

Madam Speaker, people may laugh on the opposite side simply because we know it, the population knows it that this motion has been brought in the House to make people believe that really things are going pear-shaped, that words that have been used by hon. Ganoo are like arbitrary, unfair, irrational, fleecing people.

“It affects the fishermen and small enterprises.”

Hon. Baboo...

*(Interruptions)*

“There is no transparency, no answerability, blindfold the people of Mauritius.”

These are the words that have been used in order to make belief that things are going pear-shaped, that we are the first Government who is ever levying some kinds of levy on the petrol price, be it Mogas or Gasoline . Let me...

*(Interruptions)*

**Madam Speaker:** Now, don't interrupt! I have said that several times. Hon. Ameer Meea, I am drawing your attention once more!

*(Interruptions)*

Did you say that? Can you stand up and say that?

*(Interruptions)*

I will ask you to withdraw if you said that he is talking rubbish!

*(Interruptions)*

**Mr Ameer Meea:** Come on, Madam Speaker! So many times the Minister Mentor uses the word rubbish and you allow it...

**Madam Speaker:** You can't say, no I would not allow you to say that the hon. Member is talking rubbish! I would not allow you!

*(Interruptions)*

No, you can't do that!

*(Interruptions)*

You can't do that!

*(Interruptions)*

Now, don't start! If you want to go home early just go home early, but don't force me to order you out. You can't say that, I wish that you apologise for having said that the hon. Member is talking rubbish!

**Mr Ameer Meea:** I won't apologise, Madam Speaker, because this word has been used and it is on Hansard! So many times the hon. Prime Minister, the then Prime Minister used this word. The Deputy Prime Minister, hon. Collendavelloo, used this word and you allowed it. And I will prove you wrong.

**Madam Speaker:** Now, if you are confronting, challenging my authority, let me tell you that, if on this side of the House, they say that the Opposition is talking rubbish, they are not saying that a particular Member is talking rubbish. When it comes to a particular Member, the word has to be withdrawn. This is based on a previous ruling. For the smooth running of this House and so that the debates may continue calmly, I would just ask the hon. Member to withdraw the word.

**Mr Ameer Meea:** Madam Speaker, I won't give you the pleasure of sending me out because I want to speak tonight. But I want to put on record that this word has been used so many times. If you want me to withdraw the word, I'll withdraw, but I won't apologise.

**Madam Speaker:** No, if you withdraw the word, you withdraw it unequivocally and unconditionally.

**Mr Ameer Meea:** I said that I withdraw the word!

**Madam Speaker:** Don't raise your voice with me! Hon. Member, you can't raise your voice with me.

**Mr Ameer Meea:** I said that I withdraw!

**Madam Speaker:** You said you are withdrawing conditionally.

**Mr Ameer Meea:** I never said that.

**Madam Speaker:** If you withdraw, you withdraw a word unequivocally and unconditionally.

**Mr Ameer Meea:** I said I withdraw, and that's it.

**Madam Speaker:** Hon. Rutnah!

**Mr Rutnah:** Madam Speaker, I am not going to be distracted at all from my intervention and I am going to carry on like Christopher Columbus carried on his quest for the United States of America.

Now, we all know in the House that the price of petrol in Mauritius is determined as a result of what happens economically at international level. It depends on economic conditions; it depends on exchange rate, and it also depends on the interaction of the market.

In Mauritius, back in 2004, when hon. Ganoo was in Government, the Automatic Price Mechanism was introduced. What is the Automatic Price Mechanism, Madam Speaker? The Automatic Price Mechanism was introduced to directly pass through to the market all price changes on shipments of gasoline and gas oil imported by the State Trading Corporation. There is also the exchange rates in price fixing. Like I said earlier on, there is the condition that prevails in relation to currency fluctuation. So, what the State Trading Corporation does in practice is that an estimated exchange rate is used for pricing. It is the rate of the Bank of Mauritius or the rate at which the Corporation has purchased in US dollar in the preceding months, whichever is higher. Now, we have to be able to understand this. How does the State Trading Corporation purchase petroleum products? To understand this, we have to look at the volume factor. Shipments for petroleum products reach Mauritius every 20 days in a calendar month. The State Trading Corporation receives one tanker of gasoline and gas oil and, in the following month, it receives two tankers of gasoline and gas oil.

So, with this practice, it obviously creates a very complex situation of maintaining a constant pricing system. I spoke about the Automatic Price Mechanism. I spoke about the exchange rates in price fixing. And then, there is the other aspect of it, which has been referred to by hon. Ganoo, by hon. Baboo and by the hon. Minister Gungah, that is, the Price Stabilisation Account. This is a new system which makes provision for a Price Stabilisation Account, which has, as objective, to maintain a single price over a longer period of time.

What happens is that any responsible Government, when applying all these principles, will come to a formula that will allow the price of petrol to be stable and as well affordable to

the public. Now, hon. Baboo was quite right when he said, while he was reading his scripts, that there was huge fluctuation in price of petrol. He is right! Huge fluctuation! But there was no huge fluctuation in price in Mauritius, and that is also right. Absolutely right! He didn't realise that he had scored an own goal. Now, I will explain.

*(Interruptions)*

Yes, the truth is the truth, and the truth hurts sometimes!

Let me now come to the fluctuation of the price. At a later stage, I am going to table a graph. People have been talking about not being transparent, but if one goes on the website of the State Trading Corporation, like I did - I would have voted with hon. Ganoo. I'm telling you. A few days ago, when I was thinking about this, I would have voted with hon. Ganoo. But what did I do? I went and searched on the website of the State Trading Corporation. When I read about what's there and I applied my mind to it, and after having heard what hon. Minister Gungah has said, with all his mathematical knowledge - I know he was a very leading student at Royal College Port Louis in Maths -, when he used all the figures, and when I looked at what was on the State Trading Corporation's website, at heart, I said, 'I owe a duty to my people to come and explain.' As at 04 January 2016, per metric tonne, the price was below USD400. As at 20 March 2016, the price went above USD400 per metric tonne and it reached about USD440 per metric tonne from less than USD400. Then, by April 2016, it went nearly to USD500 per metric tonne. Fluctuation! We are looking at fluctuation on the higher side.

*(Interruptions)*

**Madam Speaker:** Hon. Baboo, you haven't finished your intervention? I thought you had finished!

**Mr Rutnah:** By 03 June, Madam Speaker, the price went up to nearly USD550 per metric tonne, and by 13 February 2017, the price went nearly to USD600 per metric tonne. This is in relation to gasoline, the mogas, what we call *l'essence*.

Similarly, the evolution of the FOB price for gas oil, what we call 'diesel', was on the higher side and the price continued to fluctuate. But, what did this Government do? Let's put it in perspective. As at 04 February 2016, the price of gasoline, what we call *l'essence*, was priced at Rs38.85 and gas oil (diesel) was priced at Rs29.50. As at 03 June 2016, the price was still Rs38.85 and Rs29.50! As at 29 October 2016, the price was still Rs38.85 and



Rs29.50! During the course of September to January 2017, the price was still constant. Rs38.85 for gasoline and Rs29.50 for gas oil!

Now, if we look at this graph, which I am going to table in order to assist those who have not visited the website of the State Trading Corporation and those who have come in this House and making irresponsible statements to make people believe that we suddenly decided to increase the price, and we plucked figures as if from a tree somewhere in the back street of Port Louis. But that is not the case, Madam Speaker.

Madam Speaker, why the price was increased? The price was increased from Rs38.85 to Rs42.70 for gasoline and for gas oil, it was Rs32.45. There is also the Petroleum Pricing Committee. Now, talking about transparency, about accountability, about answerability, let's look at who sits on the Petroleum Pricing Committee. There is a Chairperson, there are Members. I am not going to name names. They are: Acting Director of the Statistics Mauritius; a representative of the Ministry of Finance and Economic Development; a representative of the Ministry of Energy and Public Utilities; two representatives of the Ministry of Industry, Commerce and Consumer Protection (Commerce and Protection Division), and one Member appointed by the Minister.

Now, are we going to say that civil servants who sit on this committee are going to be tampering with the petroleum prices in Mauritius and tow someone's line in order to influence the price of petrol in Mauritius? Hon. Baboo was even referring to the Gulf war of 2008. Madam Speaker, today, the price of petrol in Mauritius, despite the international economic situation that we are facing, there is also the threat of a Third World War, there is the appreciation of the US dollar; US dollar was doing very badly. Now, the US dollar is going up. So, today the petrol price is Rs42.70 and the gas oil is Rs32.45. Let's look at when last time the price was Rs42 something. It was back on 03 September 2010. Then, the price was Rs42.65. Thereafter, from October 2010 to November 2014, the price of gasoline fluctuated from Rs44 something up to Rs52 something. Then, for gasoline it was from Rs35.50 and fluctuated up to Rs43.95.

Coming to the Gulf War period, January 2008; we are talking about January 2008, 9 years ago, Rs41.50 for gasoline; Rs35.60 for gas oil, and up to December 2009. At one point in June, the price was Rs42.30 and in July the price was Rs45.45 for *l'essence* and Rs38.30 for diesel. So, this is the era that hon. Baboo was referring to...

*(Interruptions)*

**Madam Speaker:** Hon. Baboo, you had ample time to make your arguments. Why is it that you are constantly interrupting the hon. Member?

*(Interruptions)*

**Mr Rutnah:** When you happened to lose the argument, you can't always blame the exchange rate. Because the exchange rate in 2008-2009 was not as bad as they were recently. In those days the dollar was doing better than the Euro.

Madam Speaker, I was explaining about the Petroleum Price Committee. It is an independent committee. People look at a number of factors in order to decide what price to be set and they met on 14 February 2017, and after verification of the computation of the retail prices on mogas and gas oil, as provided under the law, they approved a price increase. That price increase, as we know, Rs42.70 for mogas, what we call *l'essence* and Rs32.45 for diesel. The last revision, as I understand, from what I gathered from the STC website - and I am going to refer to it - was that the last revision in prices of mogas and gas oil was on 04 February 2016 when the retail prices of mogas and gas oil were fixed at Rs38.85 and Rs29.50 per litre respectively. The reference prices used at that time were 412.9 US\$ per metric tonne for mogas and 41.76 US\$ per barrel for gas oil. Since then, there has been an upward trend in the Free on Board prices in the world market. To maintain these retail prices unchanged, funds from the price stabilisation accounts were used. However, as the balance in the PSA has been depleted, there is no other option than to increase the prices. 'No other option' are the operative words, Madam Speaker! And this is what people of Mauritius have to understand, that we have not, as a Government, plucked the price from a tree from the backstreet of Port Louis just to come up with it and with a number of levies. Prices have gone up abroad. We don't produce petrol. Prices have gone up. Dollar is doing very well. It is automatic that countries like Mauritius and other countries, which are dependent on petroleum products, will have that rebounding effect, will have to pay the consequences.

Now, are we going to be criticised like hon. Baboo has said in so many words saying: "If the STC was in such robust financial situation."

**Madam Speaker:** Don't shout! Don't shout! Don't shout, please! Don't shout!

*(Interruptions)*

Don't shout!

*(Interruptions)*

**Mr Rutnah:** But I thought this is how he did it. He raised his voice and everybody was cheering on the Opposition side. Let me try again then!

*(Interruptions)*

**Madam Speaker:** Order, please! I see that there are some hon. Members who had no voice previously, now they have got loud voices.

**Mr Rutnah:** Madam Speaker, I must confess hon. Baboo is my good friend and I am just making my point with due respect to what he said because what he said was wrong in principle. Maybe he did not do it deliberately, he did not want to mislead, I suppose, but he was just in the heat of the moment because someone must have pumped him up and he wrote his script and came to this House.

*(Interruptions)*

**Madam Speaker:** Is it up to you to tell me!

**Mr Rutnah:** Now, he said, let me try it again: “If the STC is in such a robust financial situation, why robbing from the people’s pocket? Why?”

Now, who introduced all these duties? Who? This Government? I ask rhetorically: who? It’s true we buy CIF 16.54 for gas; 16.67 for diesel. It is true! But are we the one, who for the first time in this House, have introduced the Excise Duty, the contribution to Road Development Authority, the contribution to Rodrigues transportation and storage, the contribution to Build Mauritius Fund, the contribution to the construction of storage facilities for petroleum products, the contribution to subsidy for LPG, flour and rice, STC operational expenses, fund from the Price Stabilisation Account? Are we the one who has introduced it or was it introduced by the former Government who took advantage of all these levies and embarked themselves into hedging? Do we remember the hedging saga, how many millions and billions of rupees were fleeced from our taxpayers? We will never forget those episodes where the taxpayers were fleeced!

Madam Speaker, the PSA Fund, the Price Stabilisation Account Fund, they were not used irresponsibly. They were used judiciously to maintain price in order that our people could afford Mogas and diesel at fair and reasonable price. Had we been an responsible Government, we would have, a long time ago, increased the price and taken advantage of everything that the former Government has put as levies. Now, we are going to be criticised

for the contribution to the Build Mauritius Fund? We, as a Government, promised the people of Mauritius that we are going to provide water supply 7 lor 7.

*(Interruptions)*

Non? 7 lor 7, 24/7. Now, we know for donkey years now, no investment has been put in order to improve water infrastructure in Mauritius, including the PMSD when it was in Government with the Labour party for nine years and, interestingly, the Leader of the Opposition was the Minister of Finance and Economic Development those days. He had the public purse in his hand.

*(Interruptions)*

But now...

*(Interruptions)*

**Madam Speaker:** Order, please!

**Mr Rutnah:** It's not *vivre dans le passé*, Madam Speaker. We use the past to shape our future and we learn lessons from the past and shape the future for our children because we owe it to the children of this country.

*(Interruptions)*

Of course, to all the children! Not only my children! To your children as well, we owe it as a Government!

Now, Madam Speaker, this Build Mauritius Fund, true it has come up to Rs4. But if we don't provide this, how are we going to develop the water supply? How are we going to build the work that has been done at the Bagatelle dam and at Rivière des Anguilles dam? How are we going to deal with a number of projects that are in the pipeline? For example, the bus modernisation scheme, the land drainage scheme and now we are coming with the Land Drainage Authority? These are all money that is going to be used for the development of our country, for the betterment of our nation.

Madam Speaker, I agree with hon. Ganoo that we should find a solution to simplify the system. I agree with him. But what is the solution? How are we going to do it? The moment this Government tries to bring any changes, then very quickly, you will hear the Opposition saying: "No, it is not good." Politics! Then, you will hear the Press talking about it. For example, when hon. Baboo was referring to the RDA earlier on, he was saying that

when you register a vehicle you have to pay, but when you go to the NTA as well, you have to pay, but when you go to the company house, to Company Division, as we call it in Mauritius, to check is free. But, can you imagine if tomorrow we introduce a levy on the Company Division, what are they going to come and say: “Oh, this is going to affect all the medium and small size companies, why are you doing this?” And again, they are going to play politics with it.

*(Interruptions)*

It is not irrelevant. You used it! You said it!

**Madam Speaker:** Who said it is irrelevant?

*(Interruptions)*

**Mr Rutnah:** Madam Speaker, for all the reasons that I had given, and for all the reasons that hon. Gungah has given today in this House, and in our national interest, in the interest of the children who are growing for tomorrow so that we can shape the future. Today I will invite all Members including hon. Mohamed not to vote the motion of hon. Ganoo.

Thank you so much!

**Madam Speaker:** Hon. Osman Mahomed.

(7.18 p.m.)

**Mr Osman Mahomed (Third Member for Port Louis South & Port Louis Central):** Thank you, Madam Speaker for giving me the opportunity to speak on this motion this evening.

I am going to be supportive of this motion of disallowance on the price of petroleum products with a specific recommendation, and that is so, because there have been several speakers before me and after me and I don't want to be repetitive; and hon. Ganoo has elaborately spoken. Furthermore, my specific intervention will be based on something that hon. Rutnah has omitted in mentioning in all the list of deductions or/and levies that he has imposed just now. May be he is embarrassed to do so, that is the MID levy; you mentioned all of them save that one.

*(Interruptions)*

**Madam Speaker:** Order! Do not interrupt!

**Mr Osman Mahomed:** And I can understand why, Madam Speaker, because that programme, the *Maurice Ile Durable* programme has been dissolved as stated by hon. Dayal, in my first ever PQ in this Parliament as an elected member, PQ B/10 on 10 February 2015.

Madam Speaker, a litre of gasoil is being sold today at the pump station at Rs42.70 and diesel at Rs32.45 when their respective cost, insurance and freight prices are Rs16.50 and Rs15.60 respectively. The difference which amounts to some 158%, for say gasoil, is due to contribution to several sectors of the economy and they are namely -

1. The Road Development Authority;
2. Rodrigues Transport and Storage;
3. Build Mauritius Fund;
4. Construction and Storage Facilities for Petroleum Products;
5. Subsidy on LPG floor and rice;
6. There is the STC's operational expenses, and
7. last, but not least, but which appears first on the list of the STC's website is Maurice Ile Durable Levy.

A note here, I do not quite agree with the hon. Minister of Commerce and Industry, hon. Gungah, when he said that not everything is within the control of the actual Government. Insofar as some of the above charges are concerned and to substantiate what I am saying, I am going to use the Build Mauritius Fund as example which witnessed a whopping 300% increase in 2014 when this Government took office by moving the same from R1 to Rs4. So, not everything is not within your control, Sir.

Madam Speaker, when the MID levy was first introduced in 2008, it was imposed on domestic consumption as well as re-export carbon based fuels what we commonly call bunkering and was meant to finance environmental programmes especially Maurice Ile Durable. From June 2008 to October 2010, the levy stood at 15 Mauritian cents across the board, be it per litre of fuel or per kilogram of coal.

Being given that, at that time, a lot more projects were being implemented, the then Government doubled the same to 30 cents in November 2010 and it is still the same until today. It must be said that taxing polluting industries to green ones had led the IMF to recognise in its Staff Report of 2012 that I quote: Mauritius, as a pioneer in the development of green taxes, given that according to them the excise on carbon based fuels under the MID initiatives come close to an ideal carbon dioxide tax.

Madam Speaker, the MID levy was meant to fund projects of the MID fund and that is to implement the implementation of the MID policy, strategy and action plan; secondly, to promote energy conservation and energy efficiency and, thirdly, to encourage the production of energy from renewable sources. But more importantly, the MID funded schemes and projects to the tune of Rs935 million as at October 2014. Contrary to what hon. Bodha said last Tuesday that nothing was done by the MID Fund and I took the liberty this afternoon to send a copy to his table, which full report I have tabled in Parliament in April 2015.

So, I beg to differ. And that caught the attention of a journalist which yesterday wrote in l'Express: hausse du carburant, motion d'annulation, le MID Fund fait débat – l'Express of yesterday.

Madam Speaker, from that list, which is titled the updated list of MID fund projects as at October 2014, allow me to list a few examples because it is important for me to do so in order for me to rest my case later as to why I am making my specific recommendations.

Now the first one in there, and that one that consumes quite a substantial amount of funds is the grant of Rs10,000 to 57,857 beneficiaries on the three phases of the solar water heater scheme. This is almost one in every five families in Mauritius. In his reply to my PQ, B/174, at the beginning of 2015, hon. Dayal said it in clear terms that the solar water heater scheme implemented between 2008 to 2014 led to energy savings, that is why I am hitting on this one because energy is a concern of the STC. It led to energy savings, LPG savings of some 786 tonnes per year and electricity savings of 3466-megawatt hour per year. This is quoted from hon. Dayal himself. Now, this further led to economic savings of Rs54.2 million per year and the total investment of 146 million for 2012 he gave the example with a simple payback period of 2.7 years. Now where in this world do we have investment that is recouped on an investment period of 2.7 years? This is not my figure; this is what hon. Dayal quoted himself from 2008 to 2014 and this led to carbon dioxide emission reduction as well.

But more importantly, Madam Speaker, that solar water heater scheme led to societal benefits because, one out of all the households who benefited from that scheme, quoting further from the reply of hon. Dayal, 47% of them were without existing water heater system. So, that was a laudable initiative from the previous Government. I hear time and again that the previous Government did nothing. This is totally a wrong statement.

So, therefore, all in all Madam Speaker, contrary to what hon. Bodha said, the MID fund, out of Rs935 m. gave Rs585 m. to the population of Mauritius to buy a solar water

heater and that benefited not only the individual beneficiaries but the economy at large based on the figures that I have quoted.

Now, hon. Rutnah - I see that he is not here - mentioned that the previous Government did nothing for the CWA pipes and water. Let me quote what the MID Fund did. We funded the CWA for the construction of pipelines from Camp Fouquereaux and Alma regions and replacement of pipes at Mont Ida because leaking pipes is a major problem in our country and we gave away Rs17 billion for that one. I am just quoting one example. The previous Government invested massively in the water sector, the Bagatelle Dam, to name one, but I am just quoting one which was within my purview and I did it just now.

The MID Fund even funded the Social Housing Development Programme and we gave away Rs100 m. to the Social Housing Development Fund. Madam Speaker, if today the Stock Exchange of Mauritius has a sustainability index listed in there - hon. Bhadain is not here, he has launched it in his first year in Parliament - is because the MID Fund - and I personally initiated that index - accompanied its implementation to the tune of Rs2 m. That is how our country has a full-fledged sustainability index for foreign investors wanting to invest in environmental friendly and sustainable development inclined companies in the country, they can do so.

The MID Fund funded two household composting schemes to the tune of Rs24 m. We gave a grant of Rs33.5 m. for photovoltaic system in schools not only for them to save on electricity and energy but also for pedagogical reasons. We wanted the children to learn how to deal with photovoltaic panels and how to manage their own electricity. As such, I am going to give a few examples, Bureau Education Catholique obtained Rs17.5 m. for the implementation of photovoltaic systems in 42 BEC schools.

We also funded public schools in Mauritius to the tune of Rs7.7 m. Now, this is heavy investment! If I go to the wind farm in Rodrigues at Mont Grenade, it is Rs37.1 m. and I am not talking about the wind farm which this present Government has inaugurated in Plaine des Roches which was initiated by the previous government previously and the one that is going to be inaugurated soon in Plaine Sophie and I am not going to talk about the big solar photovoltaic farms that we have in Bambous. But, a lot of investment has gone into these sectors.

Let me now come, Madam Speaker, to public infrastructure which concerns hon. Minister Bodha. The MID Fund has funded the replacement of 1450 existing traffic lights



system by LED traffic signals equipment for Rs10.7 m. All the traffic lights in Mauritius were made ecological and energy efficient when MID Fund was fully operational. We replaced 50,000 street lighting in Mauritius by CFL bulbs leading to massive economy on behalf of the Municipal Councils and Village Councils because they were the one who foot the CEB bill at the end of every month. We funded Rs7.36 m. there. We even funded the Eco-Driving Project for drivers to learn how to save on fuel on our roads.

I have listed, Madam Speaker, some of the 59 projects and schemes that are in the table of the list of MID Fund projects. Hon. Bodha has a copy this afternoon. Now that *Maurice Ile Durable* has been dissolved, Madam Speaker - to use the words of hon. Dayal - and that schemes are no longer being implemented and even that the *Maurice Ile Durable* Action Plan is not being followed, what point is there for this Government to continue collecting MID levy to the tune of billions since it has been in power since January 2015? Why are we still collecting this MID levy?

So, Madam Speaker, I will request the hon. Minister of Industry, Commerce and Consumer Protection to kindly consider bringing to the attention of the Government to remove the MID levy hoping that this will benefit the population because they are paying through their noses, so to speak, the price of fuel which is at an all-time high. Furthermore, since they are not benefiting from any sustainable development schemes and projects from this Government like the case was in the past, I hope that this will alleviate their daily suffering. This is a proposition I am making with the social landscape in mind given that the social landscape is also one of the three pillars of sustainable development, the economic and the environmental ones being the other two.

On this note, I thank you for your attention.

*(Interruptions)*

**Madam Speaker:** Hon. Mrs Selvon!

(7.34 p.m.)

**Mrs D. Selvon (Second Member for GRNW & Port Louis West):** Merci, Madame la présidente. Je félicite les honorables membres, Alan Ganoo et Reza Uteem pour avoir pris l'initiative de présenter une motion *of disallowance* contre une mesure dont la population portera le fardeau par une nouvelle avalanche de hausse du coût de la vie. Je cite tout d'abord parmi les raisons pour lesquelles je vais voter avec l'Opposition une déclaration du numéro

deux de ce gouvernement faite le jeudi 16 février dernier rapporté comme suit par le Défi Média et je cite –

« La hausse du prix du carburant aura sûrement un impact sur le tarif de l'électricité. Toute augmentation d'un produit pétrolier doit avoir un impact sur le tarif de l'électricité. »

A déclaré le Premier ministre adjoint et ministre de l'Energie, l'honorable Ivan Collendavelloo. C'était lors de l'inauguration d'un *Small Scale Distributed Generation Photovoltaic System* au Centre Lois Lagesse de Beau Bassin le jeudi 16 février. Il a fait ressortir qu'il est encore trop tôt pour donner des détails sur cette hausse du tarif de l'électricité. Cette déclaration gouvernementale ne peut que signifier une hausse générale des prix et elle était franche et sans langue de bois.

Ce que dit le *Deputy Prime Minister* justifie ainsi pleinement mais peut-être involontairement la *motion of disallowance* de l'Opposition à la hausse substantielle des prix des carburants imposés par le gouvernement à la population toute entière y compris les personnes de condition modeste qui roulent des motos et des mobylettes sans compter des dizaines de milliers de produits de consommation.

Cela choque, surtout venant d'un gouvernement qui hier encore dans l'Opposition critiquait l'ancien régime pour les mêmes raisons. C'est-à-dire des hausses en chaîne et en série de tous les produits de consommation qui pénalisent et écrasent davantage les consommateurs mauriciens surtout les classes sociales les plus pauvres dans les sillages d'une augmentation des prix des carburants et de l'électricité. Le prix du rôti ou le *farata* du pauvre a augmenté de 20 % au moins depuis la hausse des prix des carburants qui a entraîné d'autres hausses.

La hausse des prix du carburant a été substantielle et rapportera gros au gouvernement en termes de revenus additionnels venant des poches des consommateurs surtout des petits. D'abord, il paye l'essence Rs4 le litre plus cher, soit Rs42.70 le litre et le diesel Rs3 le litre plus cher soit Rs32.45 mais là où se trouve l'abus au détriment du consommateur, c'est dans la structure des prix qui sont affectés par une taxation très lourde. Comme l'explique l'ancien ministre de l'Energie, le Professeur Swaley Kasenally, dans L'Express du 23 février, je cite –

« Ces ponctions fiscales totalisent R 25.22 sur le litre d'essence. Ce qui équivaut à un ratio des 153%. Et R 16.28 sur le litre de diesel. Soit un ratio de 104%. Ces prélèvements fixes sur le carburant ont rapporté Rs14 milliards à l'Etat en 2016.

*C'est-à-dire, R 6 milliards sur les 250 millions de litres d'essence importés et R 8 milliards sur les 500 millions de litres de diesel importés. »*

Madame la présidente, aujourd'hui le carburant n'est pas un item de luxe. «*On ne vend pas l'essence comme on vend des bijoux* » dit l'ancien ministre. Le carburant explique-t-il, est plutôt un produit essentiel qui fait tourner l'économie. C'est la raison pour laquelle le Professeur Swaley Kasenally réclame une révision de la structure de prix et il a même proposé un système unitaire d'impôts plus transparent. En plus, le secteur industriel, en particulier celui du textile, est aussi affecté par la hausse des coûts du carburant. Selon ceux qui sont responsables de ce secteur, outre le fait d'affecter la production, la hausse des coûts de production devrait aussi avoir un effet sur leur compétitivité sur le marché de l'exportation. Des opérateurs de l'industrie textile ont eu la même réaction que le numéro 2 du Gouvernement en déclarant à l'Express du 23 février qu'ils craignent un effet négatif sur le textile. Même réaction chez les camionneurs face à l'augmentation du prix du diesel, ils disent qu'ils n'ont pas été consultés par le ministre. Enfin, toutes hausses des prix de production comme celles qui sont entraînées par la hausse des prix des carburants affectent tant les grosses que les petites et moyennes entreprises, et donc l'économie nationale en général. L'effet sera négatif! Oui, l'effet sera négatif sur la création d'entreprises et de nouveaux emplois. Je pense que le système de pricing des prix du carburant doit être revu radicalement dans un angle nouveau, c'est-à-dire, que les carburants constituent un produit essentiel de consommation et non pas un luxe comme semble considérer le Gouvernement.

Je vous remercie Madame la présidente et je remercie les membres de la Chambre pour m'avoir écouté.

**The Minister of Tourism (Mr A. Gayan):** Madam Speaker, let me first of all say that I have listened very carefully to hon. Ganoo who made a strong case for his motion, but I also listened to my colleague, hon. Minister Gungah, and he made an even stronger case against the motion.

Whenever we talk of increase in prices Madam Speaker, there is always an outcry in the public, in the House, not only in Mauritius, but all over the world. Mauritius is...

**Madam Speaker:** Hon. Baloomoody! Please!

**Mr Gayan:** Mauritius is not...

**Madam Speaker:** I said that the next time, if I hear a phone in this August Assembly, I will ask the hon. Member to go out with his phone.

**Mr Gayan:** Madam Speaker, maybe people who are listening to this debate in their home, they may not understand fully what is a motion of disallowance. Maybe I should say one or two words about what it means. A motion of disallowance is something which is not provided for in the Standing Orders and Rules of the House. It appears only in the Interpretation and General Clauses Act which provides for a motion of disallowance whenever there is a regulation or another instrument that has been made by a Minister or another body similar to a Minister. For those who are not familiar with the parliamentary practice, normally it is a Bill that comes before the House which is fully debated and then becomes an Act. But for a motion of disallowance, it is a regulation which is not debated in the House and, therefore, it is made by a Minister and it is only then that the law provides for a motion of disallowance to be moved and then it is debated in the House and the motion has a time limit. It has to be presented within a certain time. It has to be debated within a certain time unlike other countries, if it is not debated within a certain time, it lapses. In Mauritius, we do not have that system, but maybe our Standing Orders will have to provide for this eventually. So, in other words, we are dealing with a regulation made by a Minister with regard to an increase in the price of mogas and gasoil and I said earlier on that whenever there is an increase, people are not happy, whenever there are taxes, people are not happy, but then Mauritius is not an oil-producing State. We have to import all our petroleum products. And, inevitably, we are at the mercy of the world market. Whatever petroleum prices go for in the international trading system, we have to purchase them and it is inevitable that we will have to be at the receiving end of what happens in the rest of the world regarding prices.

Now, everybody knows that there is OPEC. There was a time when OPEC was going to meet, the whole world was waiting to know what OPEC had decided because they were determining the prices of oil and then there was a sharp rise in the price of oil or there was a reduction in the oil output. So, in any event, the price of oil was going to stay either stable or it was going to go up. OPEC does not have the same clout today as it used to have in the past, but in December when OPEC met, they decided on a reduction in the oil output because the price of oil was going down and many of the oil producing countries were suffering. In fact, Saudi Arabia which is the largest producer of oil had in December last to hike its domestic energy prices by 40% because of the sharp drop in the price of oil. So, if Saudi Arabia had to increase its domestic energy prices by 40%, just imagine what a country like Mauritius goes through whenever a system of price has to come into play when the world prices go up.

I listened to hon. Ganoo and the way he presented his case was that everything that is happening today with regard to the regulations is the work of this Government. But fortunately, history is there to teach us certain things that we have to be humble with facts.

In 2011, GN Notice 9 of 2011 provided that we have to calculate the price of petroleum products and it was calculated according to that regulation in 2011 by taking into account the CIF, the cost of insurance and freight, the excise duty, the Maurice Ile Durable levy chargeable, which hon. Osman Mahomed has just spoken about, and the contribution made to the Road Development Authority.

- any contribution made to subsidise the transportation and storage of petroleum products in Rodrigues;
- any contribution for hedging purposes;

I will come to hedging in a while.

- any contribution made to subsidise liquefied petroleum gas, rice and flour, the operation expenses incurred by the Corporation;
- any adjustment to be made, where necessary, the funds available in the Price Stabilisation Account, and
- any value added tax payable.

Hon. Ganoo spoke a lot about value added tax, but it was already there in 2011. Let me say something about hedging because we must not forget that in January 2008, an amount of Rs1.50 per litre was introduced in the price structure of mogas and gas oil in respect of hedging. On 22 July 2008, the State Trading Corporation, then, under the previous Government, entered into a hedging transaction for mogas and gas oil for period August 2008 to August 2009 with the Morgan Stanley Mitsui & Co. Ltd. The total loss, Madam Speaker, for the period August 2008 to June 2009 amounted to a staggering Rs4.7 billion. Incredible! August 2008 to June 2009! Not even one year! It's amazing! Rs4.7 billion! And then, in November 2008, the provision for hedging was increased to Rs3 per litre for both mogas and gas oil and the STC had recourse to lines of credit from different banks for payment of the above-named counterparties. So, that was the situation under the previous Government. It is important for us to remember that hedging happened to take a large part of the levy that had been introduced by the previous Government.

Hon. Ganoo also spoke a lot about the Build Mauritius Fund, the money allocated for development projects and the CWA not having been fully utilised. But, I have, Madam Speaker, some figures, which I need to share in the House, to show that any major project needs to be worked at prior to implementation. You need to have the consultants; you need to have all the architects and all the engineers working on it. It takes time. Not only does it take time, but the procurement procedures are also very cumbersome. It is because of the heavy machinery for procurement that there is a lot of delay, not only in the CWA project, but in almost all major Government projects. It is not a secret in this House that we have always complained about procurement delays in major projects.

But let me just say that the CWA investment projects from 2017 to 2020 cover the whole of the island, and I have a map of Mauritius showing where the projects will take place. But, in terms of figures, the amount to be spent for 2017/2018 is Rs2,095,000,000, and there are projects for the replacement of pipes, improvement of water supply, upgrading of pumping stations, and other things related to the water situation. For the year 2018/2019, the amount is almost Rs2.5 billion, and for 2019/2020, it's another Rs2.2 billion, making a total of Rs6.8 billion for CWA projects.

I am saying this, Madam Speaker, because hon. Ganoo needs to understand. He has been a Minister before. He knows that these things take time. But once everything is set in motion, then it goes very fast. But it does take time before we reach that stage, and this is why it has taken a bit of time before these things have been implemented.

Madam Speaker, other colleagues on this side of the House have spoken a lot about various things, about the reference price, the Price Stabilisation Account, but let me say also that my colleague, hon. Gungah, spoke about the background. It is good also that I give some figures about the background to this particular problem.

For the period 2011 to 2015, the STC made an average yearly deficit of Rs450 m. on the item subsidy for rice, flour and cooking gas because the amount of Rs1.50 per litre collected was not sufficient to meet the subsidy for those items. The STC, therefore, during that period, had to use the surplus it had realised on the sale of Jet A1 fuel to subsidise partly rice, flour and gas.

It is also important for this House to know that Government, as from January 2014, had decided to partially liberalise the importation of marine bunker fuel with the aim to grow the bunkering business. The STC was requested by the then Government to remove its

margin on all bunker fuels. So, there was no surplus which was realised on the sale of bunker fuel by the STC.

So, decisions were taken by the previous Government to, in fact, affect the profitability and the standing of the STC. But it is also important for this House to know, Madam Speaker, that, with regard to freight, the STC - as this House is aware - stopped having recourse to Betamax Ltd. in February 2015. Since it stopped using Betamax Ltd., it has been paying an average of USD6.44 less per tonne for the transport of petroleum products. So, over a period one year, that would represent a sum of USD7.4 m., that is, about Rs266 m. at an exchange rate of Rs36 per USD. If Mauritius had continued with Betamax, the additional cost for the period 2015 to 2026 would have been Rs3 billion. So, there is a saving of Rs3 billion up to the point when Betamax would have stopped supplying Mauritius.

Madam Speaker, the point of this particular motion of disallowance is, of course, to draw attention of the public to how the price mechanism is worked out, but I must also say that nothing is perfect in life. We started with the Automatic Pricing Mechanism (APM) in the Government of 2000/2002. It worked for a while and then there was another mechanism, the Petroleum Pricing Mechanism. Now, we have a new system adopted in 2015, and hon. Baboo who has just spoken against it was a Member of Cabinet in 2015. As a result of that Price Stabilisation Account, there was a reduction in the price of petroleum products because the prices were stabilised for over one year. I hear hon. Members now talking about the price of *farata* and *dholl puri* which is going to go up. But when the prices came down, did the price of *farata* and *dholl puri* and whatever come down? So, I think we should not play politics about things like this. That there will be price increases when the world prices go up is something which is inevitable. Even countries which are oil producing have to face that particular problem. So, we should, at least in this House, try to rise above the cut and thrust of this issue and to look at things in the national interest.

Is there anything that has been said by hon. Ganoo that goes against the national interest? All those levies that he spoke about have a purpose; they are there for a purpose and the amount that is contained in the funds as a result of the levy of those funds will be used for the purposes for which these funds have been established. I do not think that we should in this House have a *procès d'intention* against those levies. I just mentioned about the CWA, there are other infrastructure projects. The fact that there is a levy in order to get Rodriguans to pay the same price for rice, flour and cooking gas, is that not in the national interest of the country?

Could we, as a country, let Rodrigues pay whatever was the commercial rate or do we need to have some solidarity on our side so that, at least, we can all say that we are doing, as a nation, something that everybody can benefit from. When the price of cooking gas was reduced by Rs60, it benefited the whole country; everybody benefited from it. So, it is wrong to say that all these levies only go to fleece the middle class or to rip off people, as hon. Baboo was saying. No! These funds exist in order to meet the challenges of the nation. It's a bit like hedging. I spoke about hedging. In fact, in the provisions of 2011 there was something mentioned that once that particular hedging account was completed, the hedging component would go down.

Now, there is no provision of hedging in the price mechanism. So, my appeal to this House is, let us at least look at the problems as they are and not try to play politics on everything.

Of course, things can be improved; anything can be improved, but just because they can be improved, it doesn't mean that what we have today is necessarily bad. So, this is why, Madam Speaker, I believe that this motion of disallowance must be disallowed. I thank you for your attention.

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

*At 8.06 p.m., the sitting was suspended.*

*On resuming at 9.11 p.m. with the Deputy Speaker in the Chair.*

**The Deputy Speaker:** Hon. Ameer Meea!

**Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East):** Thank you, Mr Deputy Speaker, Sir. I welcome you to the Chair again.

Monsieur le président, depuis le mercredi 15 février, le litre d'essence est passé de R 38.85 à R 32.70 et le litre de diesel coûte désormais R 32.45. Le gouvernement n'a aucunement respecté sa promesse, une des nombreuses faites à l'électorat durant la dernière campagne électorale à l'effet qu'il ferait baisser le prix de l'essence et du diesel de R 10. En 2013 le prix des carburants était de 111 dollars le baril ; il était à 99 dollars en 2014 et 55 dollars en 2015 et de 44 dollars le baril en 2016, atteignant même par moment les 30 dollars le baril, soit son niveau le plus bas pour les périodes que j'ai mentionnées.

Il y a différents tableaux qui l'attestent ; on peut consulter de nombreux sites d'internet. Alors que le prix de l'essence et du diesel a baissé par plus de 50%, le



gouvernement n'a pas pu passer aux consommateurs les baisses successives sur le coût international du pétrole. Au lieu de baisser les prix, le gouvernement a rempli les caisses de l'état. Dans la logique du consommateur la question est simple : comment le baril du pétrole, qui avait atteint les 140 dollars et le prix de l'essence fixé à l'île Maurice à cette époque où on avait atteint les 140 dollars le baril, le prix était de R 49.50 le litre ?

Aujourd'hui, lorsque le baril de pétrole - je veux dire ce matin - est à \$55, on nous fait payer Rs42.70 le litre d'essence. Quelle est la logique dans ce prix pour les consommateurs ? Certains peuvent arguer que le taux du dollar n'est pas pareil, mais même cela quand on prend compte le montant du baril de pétrole à \$140 et on le compare maintenant à \$55, le compte n'y est pas.

Donc, M. le président, venons à la STC. Et là une question à l'honorable ministre Gungah qui a parlé de transparence dans son discours. Ce matin, j'ai vérifié le site Web de la STC et, à mon grand étonnement, les comptes audités (*the final accounts*), il n'y en a pas pour les années 2015 et 2016. Il y en a pour toutes les années précédentes jusqu'à 2014. Allez savoir pourquoi? Selon mes informations, la STC a fait des milliards de roupies de profits et des milliards de *dividendes* ont été distribués au gouvernement pour renflouer le *Consolidated Fund*. Donc, j'aurais aimé que l'honorable ministre, peut-être plus tard dans un *statement*, nous dise pourquoi les comptes de la STC ne sont pas encore rendus publics ? Je parle des comptes de l'année 2015 et même pour 2016. Le gouvernement n'est pas assez transparent en ce qui concerne tous les profits qui ont été faits par la STC même sur les dépenses en matière de subsides, sur les denrées alimentaires de base. Les dépenses encourues sur les subsides sont bien moindres que l'argent qu'ils récoltent en terme de *levy*. L'impact des prix de carburant ne sera pas sans conséquence pour les foyers mauriciens avec un revenu moyen.

Now, Mr Deputy Speaker, Sir, let me say a few words on the Automatic Price Mechanism. The end result is that today the Automatic Price Mechanism has absolutely no credibility left. You can ask anybody in Mauritius and they will tell you that Government decides, and besides, we all remember what a Minister said: "Government is Government. Government decides!" This is absolutely true because Government puts into the price structure which is approved automatically by the Automatic Price Mechanism. Government and the STC decide what to put in that. It was supposed to reflect the movement of prices of freight rates and of the dollar. The so-called Automatic Price Mechanism no longer does anything of the sort. The consumers of the country and the travelling public have definitely

not benefited from the drastic fall from USD140 per barrel to 30. Now, as I said earlier, the price stands around USD55, and even now the price of the petroleum products on the world market stands at less than half of what it was some years before when it was at its peak. This drastic crash in the world prices of petroleum products has not been transferred to the consumers and the travelling public. The consumers and the travelling public have not benefited from this drastic crash, as I said earlier.

We, from this side of the House, are against this most recent maximum increase and are, therefore, in favour of this motion because it is unfair and unacceptable that consumers, the population in general and the travelling public have not benefited from this crash in world prices and in freight rates because of other items of expenditure.

Coming back to the STC, another point that I want to make is the fact that there is an absolute lack of transparency at the STC. Therefore, the same thing applies to the Automatic Price Mechanism. There is absolutely no transparency. We have been trying for years now to get a copy of the contract for the purchase of petroleum products overseas signed by the STC with a foreign firm, but, up to now, we have never had a copy of this contract. We don't know what is in it. And again, I would say, Mr Deputy Speaker, Sir, the Government boasts itself so much about good governance and transparency, but when it comes to their doing, it is total opacity. And this is not the only case where we are talking about total opacity. When we had the project of Heritage City, again it was the same thing. Total opacity! When it comes to the project of Metro Express, again the report that we have asked has not yet been tabled.

Last week, in the House, we talked about the MoU that has been signed for the development of Agalega. Again, there is no contract that has been made public. Total opacity in relation to all these Government projects! So, Mr Deputy Speaker, Sir, my point is, we still today insist that the contract for the petroleum products should be made public so that we know, as I said, what is in there; how long and what price; what are the freight rates; who decides; who discusses; who fixes the price? *Une absence totale de transparence*, especially as far as the freight rate is concerned. This is, for me, Mr Deputy Speaker, Sir, unacceptable. For all this total unacceptable absence of transparency, who is paying for that again? It is the consumers; it is population and the travelling public at large who is paying for this price.

We, on the side of the House, have laid on the Table of this Assembly this motion; it is because the public wants an explanation. The public cannot go on suffering any more from

this price increase in this country. We all know that this increase in price of petroleum products would affect our economic growth and, consequently, our social peace. Our economic growth has been affected. The figures promised by, I would say, the first Finance Minister, but rather the magician, I will call him, at the time the so-called *Alliance Lepep*, he was fantasising of a GDP growth of 5.7%. Today itself, I was reading the electoral manifesto of the so-called *Alliance Lepep*, it was betting on a GDP growth of 6% annually. Today, where are those official figures? It is not even 4% that we are talking. Now, with this increase in fuel prices, surely it will affect our GDP growth. We have got to pay for the increase in price as a result of the coming of this Regulation and the public at large is protesting and is asking for explanation of this increase.

True it is, in the course of the debate, the hon. Minister tried to play as a fire extinguisher to come and allay the misgivings and the fears of each and every one to give some explanation. There have been some figures which have been given to us. Some of them are very technical, of course. Even then we, as hon. Members of Parliament on this side of the House, are not satisfied with the explanation and the figures that have been given to us. Least of all, how would the public outside be able to consume this exercise that he has put before us? There are still lots of unanswered questions which he was given to us.

As I said earlier, the contract for the petroleum product, we still await such contract. Et là, M. le président, nous, nous réclamons simplement l'annulation de l'augmentation du prélèvement puisé sur chaque litre de carburant afin de financer le Build Mauritius Fund, lequel prélèvement a été porté à quatre roupies l'année dernière alors que des produits pétroliers avaient dégringolé sur le marché mondial. Cette surtaxe avait rapporté un montant de R 1,625 millions pour l'année financière 2015-2016. Et répondant à une question parlementaire la semaine dernière, le Premier ministre et ministre des finances de surcroît a déclaré que, as at 07 April 2017, that is, now, il y a une balance de R 5.3 milliards dans le Build Mauritius Fund.

M. le vice-président, je trouve cela absolument choquant que, malgré cette somme colossale dans le Build Mauritius Fund, on a osé encore augmenter le prix de l'essence, le prix du diesel et le gouvernement continue à renflouer les fonds du Build Mauritius Fund. Je dois vous dire, un des objectifs de ce fonds était de financer le remplacement des tuyaux de la CWA. Durant cette même année financière, terminant 2016, seulement R 10 millions ont été puisées de ce fonds pour le remplacement des tuyaux et le montant non utilisé est de temps en temps transféré dans le Consolidated Fund.

Le précédent orateur avant moi, l'honorable ministre Gayan, avait un de ses arguments. He stated that all these levies have a purpose. Mr Deputy Speaker, Sir, what is the purpose of having Rs 5.3 billion in the Fund and not using it. Through a PNQ of the then Leader of the Opposition, in June 2016, and answering to this question, the Minister of Finance now Prime Minister, himself, stated in this PNQ, I will quote from Hansard:

'I will say what is not acceptable is that we are being late for a number of projects. In fact, I have to be honest, CWA for all this replacement of pipes and the investment that has been earmarked for reservoirs and so on, I believe that we have to try to move forward as quickly as possible because that is the priority for Government. In fact, my colleague, the Vice-Prime Minister, Minister of the Energy and Public Utilities spoke to me and I am sure that he is seeing to it that these projects are materialised as soon as possible.'

So my point is: all these projects that have been earmarked very few of them have been materialised. Even the hon. Prime Minister has said it. It is not acceptable that all these projects are being very late, but what we continue on doing is we continue on charging Rs 4 per litre to the population, increasing the Fund to Rs5.3 billion and not, at the same time, spending it on what should have been the purpose. What is the explanation? What is the reason? That we will do it. It has been two and a half years now since this Government is in office and the fund is increasing. You are increasing your levy and everything but up to now - I can go on with the PNQ, on the number of projects. We have seen that, in 2016, only Rs8 million have been used for the replacement of water pipes for the CWA. So my point, Mr Deputy Speaker, Sir, is that it is absolutely shocking that we are continuing with this Build Mauritius Fund.

Pour moi, la surtaxe de quatre roupies par litre est supérieure à l'augmentation de R 3.85 sur l'essence et R 2.85 sur le diesel. L'abolition de la surtaxe aurait permis d'éviter l'augmentation des prix du carburant. Non, de ce côté de la Chambre, nous sommes contre cette augmentation et nous dénonçons haut et fort cette augmentation injuste et insupportable. Maintenant, M. le vice-président, par rapport à ce que l'honorable Rutnah avait dit précédemment in relation to what he said earlier as if we are the only Government that has come with this levy. And now, please allow me to use the very word of the Vice Prime Minister, hon. Collendavelloo, in a PQ dated 17 November 2015. In fact, it was not you, it was Madam Speaker was chairing the sitting and what he said, Mr Collendavelloo, in his answer, I quote:

‘This day is the international rubbish day because that is the greatest rubbish I have ever heard, even greater than what I heard this morning.’

So, Mr Deputy Speaker, Sir, when I said in a sitting position that the hon. Member was talking rubbish. I was not wrong at all because the hon. Deputy Prime Minister...

*(Interruptions)*

**The Deputy Speaker:** Order! Hon. Ameer Meea, if you direct the remarks towards one hon. Member, you say this hon. Member is talking rubbish then, obviously, Madam Speaker will ask you to withdraw, but if we say that the Government side or the Opposition side is talking rubbish, this, on its own, won't warrant any interference or intervention from the Chair. Please, resume.

**Mr Ameer Meea:** Thank you for your ruling, Mr Deputy Speaker, Sir. now, let me give you another example. When you were in the Chair the hon. Mentor directed this word to an hon. Member of this Assembly. Let me quote from Hansard. He said, listening to the mover...

*(Interruptions)*

**The Deputy Speaker:** Hon. Ameer Meea!

*(Interruptions)*

Order! I will ask you to come to the motion of tonight.

**Mr Ameer Meea:** Mr Deputy Speaker, Sir, with due respect to you, my speech was on it, but these things happened in the House today and you ruled out...

*(Interruptions)*

**The Deputy Speaker:** Hon. Ameer Meea, please come to the motion of tonight.

**Mr Ameer Meea:** Mr Deputy Speaker, Sir,...

*(Interruptions)*

**The Deputy Speaker:** Order!

*(Interruptions)*

Hon. Sinatambou!

*(Interruptions)*

Order!

*(Interruptions)*

Please allow hon. Ameer Meea to conclude his speech.

*(Interruptions)*

Hon. Quirin, please allow hon. Ameer Meea to conclude his speech.

**Mr Ameer Meea:** Mr Deputy Speaker, Sir, on a point of personal explanation...

*(Interruptions)*

On a point of personal explanation, I asked for it.

*(Interruptions)*

**The Deputy Speaker:** Order!

*(Interruptions)*

Hon. Ameer Meea, you can come to a point of personal explanation as per Standing Order 28, that is, you have to give notice to the Speaker and then with leave of the Speaker you come back to it. For the time being, please resume your speech.

**Mr Ameer Meea:** Yes, Mr Deputy Speaker, Sir, but it is very sad today that when the Deputy Prime Minister uses these words he is allowed, when the Minister uses these words he is allowed; when the Mentor uses these words...

*(Interruptions)*

**The Deputy Speaker:** Order! Order!

*(Interruptions)*

Order! Hon. Tarolah!

*(Interruptions)*

I just ruled on it that if it is a general remark it will not be sanctioned but, if it is a personal remark then you will be called to order! Please, conclude your speech!

*(Interruptions)*

**Mr Ameer Meea:** Today, it goes on record for what has happened. I have nothing more to add!

*(Interruptions)*

**The Deputy Speaker:** Hon. Minister Sinatambou!

(9.28 p.m.)

**The Minister of Social Security, National Solidarity, and Environment and Sustainable Development (Mr E. Sinatambou):** Thank you, Mr Deputy Speaker, Sir. Although the mover of the motion is a very good friend of mine, I would however beg to disagree that this motion is in any way warranted. I would, in fact, Mr Deputy Speaker, Sir, insist, despite the good relationship that I have with the hon. First Member for Savanne and Black River, that his motion is misconceived, unwarranted, unnecessary and futile. To actually explain why it is so, I will actually...

*(Interruptions)*

...well, verging on rubbish if that is what you want to hear!

*(Interruptions)*

To be able to understand that point I would like, if you would allow me, Mr Deputy Speaker, Sir, to go to what was just being said by the previous orator. He was going on about all those levies which are actually charged on working out, what is called, the calculated price, under Regulation No.3 of the 2011 Regulations, which are actually used to come to the retail price. Assuming that those two Government Notices were to be disallowed, the fact remains that the 2011 Regulations which were used to work out the retail price of petroleum products, namely Mogas and Gasoil, would remain.

So, everything that we have heard from the other side of the House about the Build Mauritius Fund, about the Storage for Petroleum Products Fund, about the allocation for Rodrigues, about the MID Fund, let me just go back to Regulation 3, about the *Maurice Ile Durable* levy, about excise duty, about the contribution to subsidy on LPG, flour and rice. Even in the unlikely circumstance that the two Regulations which were being moved for disallowance had the slightest chance of succeeding, all the levies which have been the subject of debate on the other side of the House would remain because they are part of the Consumer Protection (Control of Price of Petroleum Products) Regulations 2011 which were never contested, which, in fact, I would say as regards the Leader of the Opposition and his party Members sitting on that side of the House...

*(Interruptions)*

I am sorry that is the truth! You were there! In 2011...

*(Interruptions)*

**The Deputy Speaker:** Hon. Sinatambou, please address yourself to the Chair!

*(Interruptions)*

**Mr Sinatambou:** In 2011, when the...

*(Interruptions)*

**The Deputy Speaker:** Order!

*(Interruptions)*

**Mr Sinatambou:** On this...

*(Interruptions)*

I am just pointing...

*(Interruptions)*

**The Deputy Speaker:** Hon. Rutnah!

**Mr Sinatambou:** I am just pointing to an anachronism and an element of irrelevance which actually happened because of the other side of the House. They were in office and in power when Government Notice No. 9 of 2011 came into operation on 11 January of that year. Now, by virtue of Regulation 3, paragraph 2, we learn that the computation of the retail price of petroleum products is actually calculated by taking into account not only the CIF price, excise duty, the *Maurice Ile Durable* levy, the contribution made to the RDA, any contribution made to subsidise the transportation and storage of petroleum products to Rodrigues, any contribution made to subsidise Liquefied Petroleum Gas, rice and flour, the operational expenses incurred by the Corporation, any adjustment to be made as well as the funds available in the Price Stabilisation Account.

Therefore, it is quite clear that all those elements which had been the subject of criticism on the other side of the House have no *raison d'être* because they can...

*(Interruptions)*

Yes, they can in no way be affected by any motion of disallowance being allowed this day. That is actually the case! Now, what is even worse...

*(Interruptions)*



...what is even worse, Mr Deputy Speaker, Sir, is that the previous orator went on and on about the Automatic Pricing Mechanism stating how this mechanism was causing so much damage to the system of calculating the price of petroleum products especially Mogas and Gasoil. However, he ought to have known that the Automatic Pricing Mechanism which dates from April 2004 has been cancelled. The Automatic Pricing Mechanism which was just being referred to by the previous orator was cancelled in January 2011 when Government introduced the Petroleum Pricing Mechanism. It is not the same.

The Automatic Pricing Mechanism (APM) was passed in April 2004 by the then Government with the objective of passing oil price changes on shipments of oil products to consumers. However, many of the APM exercises raised an outcry in the public because consumers could not reconcile actual price movement on the world market with the APM's own price changes. This was, in fact, the result of a misunderstanding. The main causes of that misunderstanding were the lapses between the time of arrival of tankers, the time of payment for imports and the time of application of new prices.

However, contrary to what was averred by the hon. Second Member for Port Louis Maritime and Port Louis East, in January 2011, Government introduced the Petroleum Pricing Mechanism with the main objective of mitigating the effects of oil price increases on actual retail prices.

Now, to me, the motion to disallow those two Government Notices is unwarranted because firstly, if I look at the orators tonight, to me, it is self-revealing that we have two former Ministers of Finance on the other side of the House who have also been Deputy Prime Ministers, who are two party leaders and who have chosen not to address this House on this motion! If it was such a warranted, necessary, reasonable motion for disallowance, surely we should have expected not only the hon. Leader of the Opposition but even the former Leader of the Opposition to be addressing this House vehemently, strongly and forcefully. That is not the case this evening and, to me, this is a clear indication that the motion of my good friend, the hon. First Member for Savanne and Black River, is, in fact, not as warranted as he might have thought.

Now, there is one thing I would like to say, Mr Deputy Speaker, Sir, which concerns the Build Mauritius Fund. I am quite surprised that the right hand side of the Opposition is actually so much against it today because the Build Mauritius Fund, I am made to understand, was introduced in January 2014. It was introduced in January 2014 when the *koze kozé*

exercise had started. It was introduced, in fact, by Government Notice 308 of 2013 which came into effect on 01 January 2014. Now, so much has been said on the Build Mauritius Fund.

*(Interruptions)*

**The Deputy Speaker:** Order!

**Mr Sinatambou:** Now, what is also surprising ...

**The Deputy Speaker:** Hon. Henry!

*(Interruptions)*

Please!

**Mr Sinatambou:** It's quite annoying to have all this. I listened to them very carefully, Mr Deputy Speaker, Sir.

*(Interruptions)*

**The Deputy Speaker:** Order! Hon. Sinatambou, please resume!

*(Interruptions)*

Hon. Rutnah!

**Mr Sinatambou:** When the Build Mauritius Fund was introduced in January 2014 in the Price Structure of the 2011 Regulations, which were used to calculate the retail price of Gas Oil and Mogas, the avowed objects of the Fund were to contribute to –

- (i) the financing of the Mauritius Light Rail Transit Project of other infrastructure projects or development schemes aiming at more fluid traffic flows;
- (ii) improving the quality of the land transport system and service;
- (iii) for consultancy preparatory or advisory services in relation to the Mauritius Light Rail Transit and Land Transport Projects, and
- (iv) to such other infrastructure project or development scheme related to the Build Mauritius Plan which was focusing on, not only because I have heard everything on the other side that has been limited to the regular supply of water and electricity at competitive price, but also for efficient and safe public transport for more fluid traffic flows and for infrastructure for greater connectivity with the rest of the world.

Why am I saying that, Mr Deputy Speaker, Sir? Because I heard the hon. Third Member for Port Louis South and Port Louis Central, hon. Mahomed, speaking of this whopping increase from Re1 to Rs4. What he failed to say to this House is that the contribution of Re1 per litre at the time on Mogas and Gas Oil was charged to provide bus operators with a subsidy of Rs1 m. per bus to purchase semi-low floor buses and renew the fleet of buses under the Bus Replacement Scheme. So, Re1 which was then levied under the Build Mauritius Fund was just for the semi-low floor buses.

Now, if you look at all the objects of the Build Mauritius Fund, it is not as alleged by the other side of the House, for water provision, but it is for all those objects I have just stated to the House. What in my mind is also quite surprising is that at all times in the intervention of all those Members on the other side of the House, they have kept under silence the element of hedging. Hedging was introduced in the 2011 Regulations under Regulations 3 paragraph 2(f). What was it about? In fact, it was about the mess created by the then Government which actually costs the taxpayers Rs.4.7 billion. So, what we are trying to explain to this House is that is that all those elements which are actually added to are in order to - not hedge in the sense that they did - hedge against all those unfortunate things which would affect our country people. They are acting as if the increase in the price of petrol per litre is going to be swallowed by me or any of my colleagues. It is going to be used for the welfare and for the benefit of all the members of our society.

So, it is totally wrong, Mr Deputy Speaker, Sir, to state that our population *aura à subir le fardeau d'une avalanche d'augmentations*. This money which is levied under the 2011 Regulations is used for the benefit and for the welfare of the people of this country. It is not only anomalous to allege the contrary. I believe it is cheap politics to allege the contrary. In fact, I must say, Mr Deputy Speaker, Sir, when I look at the figures what happen is that today's price is still lower than throughout the mandate of the previous Government going back to 2011. When the Regulations were passed in 2011, I have taken the liberty of checking. In January 2011, when they set the Regulations, petrol was being sold at Rs48.50. I have checked from 2011 to this date, at no time, until the coming into office of this Government has the price of petrol been lower than throughout their mandate when they passed the Regulations with the Price Mechanism that is now in force.

*(Interruptions)*

Well, I have checked them.

*(Interruptions)*

Well, the hon. Member who feels the contrary is kindly invited to consult me, I will show him the figures.

Now, there is one thing which was added by this Government, it is in the elements we have taken into account to actually compute the retail price of Mogas and Gas Oil, it is under Regulations 3 paragraph 2, sub paragraph (g) (a). The one and only element which was actually added to the parameters to be taken into account in calculating the retail price of Mogas and Gas Oil is any contribution made to the construction of storage facilities for petroleum products. I don't think, Mr Deputy Speaker, Sir, that we have to make any apology for actually including in the parameters this particular element of contribution for the construction of storage tanks. Why I am saying that, Mr Deputy Speaker, Sir? Because when this item was introduced in the price structure under the Regulations of 2011 in November 2015, it was to provide for the collection of 10 cents per litre on the sale of both Mogas and Gas Oil for the purpose, as I said, of constructing storage facilities for petroleum products.

Indeed, one should appreciate that, with the increase in our economic activities, the demand for petrol has gone up and, therefore, the need for storage has also gone up if we want to try and avoid hefty increases in the price of imported petroleum products. Now, since there is today a real necessity to increase our storage capacity, the STC and the oil companies of this country have embarked on a project for the construction of additional storage tanks.

It goes without saying that it makes sense for the State Trading Corporation to be part of this project, and this explains why one and only one parameter has been added to the existing Regulations for the purposes of calculating the retail price of mogas and gasoil. So, it is utterly improper, from my perspective, and cheap politics to come today and challenge, criticise each of the existing parameters which existed under Regulation 3, paragraph 2, of the 2011 Regulations because they already existed. Not only did they already exist, they were actually passed by them. So, today, it is another instance of hypocrisy if the Opposition were to come and say that those parameters are ill-founded, unjustified, improper, unfair, unjust, because they were the ones who got them passed.

Now, Mr Deputy Speaker, Sir, there is another thing which I heard about the subsidy on LPG, flour and rice. I actually find that so hypocritical. Last week, some on the other side of the House were stating that this Government had done nothing for the poor. That was so

shocking, because it was false and just blatantly false. And, today, they are the very ones to come and challenge and argue against the subsidy for LPG, flour and rice.

In fact, I would like to share with you, Mr Deputy Speaker, Sir, the fact that it is estimated that, for the period of July 2017 to June 2018, we are expecting that the subsidy for LPG, flour and rice is going to bring Rs1,381,000,000 for subsidising principally and essentially the poor of this country. That is why we, on this side of the House, insist that whatever has been done regarding the Regulations, whether it is G.N. 26 of 2017 or G.N. 30 of 2017, we have done, in fact, everything that was required to be of help and to be of use to the people of this country.

Maybe, Mr Deputy Speaker, Sir, I should end on one particular note. That note, Mr Deputy Speaker, Sir, is the following one, and I think it should be one of the final nails in the coffin of this motion.

The hon. First Member for Savanne and Black River who moved for this motion of disallowance appeared to be very shocked and even scandalised that the Petroleum Pricing Mechanism had brought to the STC Rs14 billion for the year 2016. Now, already I believe we should look at it, as we say in French, *il faudrait relativiser*. Why? Because those Rs14 billion are meant to be used for each of the parameters which are actually contained in Regulation 3, paragraph 2, of the 2011 Regulations, which actually define the parameters which are to be taken into account in calculating the retail price of mogas and gasoil. So, already there should be nothing shocking in it because it is going to be used for the people of this country. But if ever he still feels shocked, I would like to tell him, through you, Mr Deputy Speaker, Sir, that only the old age pension for this year is expected to reach Rs14.5 billion. So, the expenditure is high. When we want to work for the people, it costs money. They should not come and just say, "Oh! But world prices have gone lower. Therefore, people who drive their cars should have lower prices."

In fact, - and that is where I believe they went wrong, I believe that they have misunderstood the whole purpose of the Petroleum Pricing Mechanism - what does the petroleum pricing structure actually bring? It brings about a system, whereby, at any one time in this country, any increase in world prices of petroleum products cannot bring about more than a 10% increase in the price of petroleum products locally. That is the purpose of the whole structure. I heard my good friend, hon. Gayan, stating how Saudi Arabia had hiked its prices by 40%. This cannot happen in this country, because the Government has taken all

the steps required to ensure that there can be no higher increase than 10% at any one time in the price of petroleum products, in particular mogas and gas oil. That, I think, is very important.

The second thing, before concluding, is the hon. First Member for Savanne and Black River challenging the Government Notice No. 26 only in one sentence. He said that those Regulations needed to be disallowed because they were opening the door for further increases. That was the only reason throughout his speech, for which he moved that those Regulations ought to be disallowed. And I would like to share with you, Mr Deputy Speaker, Sir, that he is wrong, because even the amendment being brought by those Regulations of 2017 cannot, in any way, bring a higher increase than 10%. So, at all times, Government is ensuring that we are keeping the ceiling of potential increase in petroleum prices in Mauritius to 10%, whatever be the increase on the world market.

Now, that same Regulation also brings a minimum balance in the Price Stabilisation Account. It brings a minimum balance of Rs100 m. to be kept at all times in the Price Stabilisation Account. Why? It is, as stated by the Minister of Industry, Commerce and Consumer Protection, hon. Gungah, to ensure that there is enough money at all times in the Price Stabilisation Account to cater for any deficit because otherwise there would not be enough money to cover any deficit. Also, that money should be there so as to be the buffer and allow, for example, the maintenance of the price at a particular level. We must remember that the 2011 Regulations are not about increasing prices only. Regulation 5 of those Regulations, paragraph 1, is about maintaining the price of petrol in this country. Regulation 5, paragraph 2, is about reducing the price of petroleum products in this country, and only - and quite befittingly as well - Regulation 5, paragraph 3, is about increasing. So, we can maintain the price. We use of the Price Stabilisation Account to maintain the price. We use the Price Stabilisation Account to reduce the price, and when we cannot use the Price Stabilisation Account and we have to increase, we can only increase by 10%. So, all this hoo-has we have heard on the other side of the House, I won't say it is rubbish, but it is unwarranted.

So, with these words, Mr Deputy Speaker, Sir, I would end by insisting with you that any reasonable person who has read the regulations properly, who has gone through the nitty-gritty of the law, could only vote against this motion of disallowance.

I thank you, Sir.

**The Deputy Speaker:** Hon. Uteem!

(9.57 p.m.)

**Mr R. Uteem (First Member for Port Louis South & Port Louis Central):** M. le président, les dés sont pipés. Pile je gagne, face tu perds! C'est ainsi qu'on peut résumer la façon dont les prix des produits pétroliers sont fixés à Maurice. Le consommateur est toujours perdant.

Quand le cours du pétrole monte, l'augmentation est répercutée de plein fouet sur le consommateur. Par contre, lorsque le cours du pétrole chute, là, le gouvernement a recours à toutes sortes de subterfuges pour priver le consommateur de son dû. Alors que le coût du pétrole avait considérablement baissé en 2015 et 2016, le gouvernement en a profité pour mieux plumer le consommateur. On se souvient, M. le président, des promesses électorales, parmi la fameuse promesse de réduire le prix du litre de l'essence et du diesel de R 10.

*(Interruptions)*

Le Leader de l'opposition, oui, l'honorable Xavier-Luc Duval, en avait fait son cheval de bataille, mais l'expert-comptable qu'il était, savait que c'était dans le domaine du possible. Oui, avec la chute du prix du baril du pétrole, il était tout à fait possible de réduire le prix de l'essence et du diesel à Maurice. Avec une baisse de 50% du prix du baril de 2014 à 2015, ce gouvernement avait la marge de manœuvre nécessaire pour tenir leurs engagements électoraux. Pourtant, quelques jours après les élections, le ministre de l'Industrie et du Commerce, l'honorable Gungah, confiait dans un entretien que lui avait accordé un hebdomadaire, que la décision de faire baisser le prix de l'essence sera prise afin que la population mauricienne se rende compte tout de suite que l'alliance qu'elle a portée au pouvoir tient à respecter son engagement pris pendant la campagne électorale pour rendre la vie des Mauriciens moins pénible. Paroles et paroles ! Malheureusement, il n'y a pas d'impôt sur les fausses promesses. Avec tant de promesses non tenues, M. le président, on aurait pu facilement réglé notre problème de déficit budgétaire !

Les taxes additionnelles, M. le président, il y en a eu. Les fameux quare roupies sur chaque litre d'essence et de diesel pour le *Build Mauritius Fund*. Sous le régime Travailleiste, cette taxe était d'une roupie par litre. Sous ce présent régime, elle a augmenté de 300%. 300% ! Alors que le prix du baril du pétrole était en chute libre, ce gouvernement choisit d'augmenter la taxe sur les produits pétroliers à Maurice. Des milliards de roupies ont été

prélevées sur le prix de l'essence et du diesel. Des milliards de roupies qui auraient dû alléger le panier du consommateur !

Mr Deputy Speaker, Sir, it is important to remind ourselves why this levy of Rs4 has been imposed on the price of petroleum products. On Tuesday 10 February 2015, on the very first sitting of this House, after the traditional Government Programme was read, I asked the hon. Minister of Industry and Commerce to provide us with a breakdown of the different components of how the price of Mogas and Gasoil are calculated in Mauritius. The hon. Minister explained that the contribution to Build Mauritius Fund was increased from one rupee to Rs 4. And that is what he said –

“As announced in the Government Programme, the Water Supply Programme is our priority and huge amounts have to be invested to solve the water distribution problem. That is why the contribution to Build Mauritius Fund was increased from one rupee to Rs4 to have the necessary fund.”

This is what the hon. Minister stated –

“We are increasing the price to solve the Water Distribution Programme.”

So, not because of what hon. Minister Sinatambou just mentioned about all the lists of things that were supposed to be done with these Rs4, it was meant to solve the water distribution problem! And how indecent of hon. Minister Sinatambou to refer to hedging losses made by the STC when he, himself, was a Cabinet Member under the Ramgoolam Government, when STC was making all these hedging losses! Or am I mistaken? Was it when he was demoted to become the Deputy Speaker that this was imposed?

*(Interruptions)*

**Mr Sinatambou:** On a point of order. First of all, Mr Deputy Speaker, Sir, the hon. Member should know that I was not demoted, I resigned. If he does not know...

*(Interruptions)*

No! I have the right to resign. You were kicked out when you were in Government. That's number one!

*(Interruptions)*

The hon. Member can't lie.

*(Interruptions)*



**The Deputy Speaker:** Allow me to listen!

**Mr Sinatambou:** Secondly, Mr Deputy Speaker, Sir, again, on a point of order, the hon. Member cannot impute motives on me. I was not a Minister of the Government when the hedging losses were made. It was between August 2008 and June 2009 and I was not anymore a Minister of the Cabinet. The hon. Member should make sure of what he says.

**The Deputy Speaker:** I have taken note. Hon. Uteem, please, resume your speech!

**Mr Uteem:** I rephrase, hon. Etienne Sinatambou was part of the Government - is that good enough? – when the hedging losses were made, Today, he tried to make as if he does not know anything about it, now that he is on the other side of the House.

*(Interruptions)*

**The Deputy Speaker:** Order

**Mr Uteem:** I am glad that the hon. Deputy Prime Minister just stepped in because he was the one who promised the 24/7 water supply. Nearly three years later, nothing has changed. We still face water problems across the island. Be that as it may, Mr Deputy Speaker, Sir, 15 months later after my PQ of 17 June 2016, the then hon. Leader of the Opposition decided to follow up on the Build Mauritius Fund. Answering to a PNQ, the then Minister of Finance and Economic Development stated that, from January 2015 to April 2016, an amount of Rs2 billion was contributed by the State Trading Corporation to the Build Mauritius Fund.

The hon. Minister then stated that an amount of Rs3.6 billion for the period 2015 to 2018 would be required for the water projects. He mentioned 17 projects and the replacement of 200 kilometres of pipes. But, as at June 2016, he had to concede that there were only two contracts awarded for replacing only 8 km of pipes for a contract value of only Rs114 m., not Rs3.6 billion as promised. And as rightly quoted by my friend, hon. Ameer Meea, he stated that –

“I will say what is not acceptable is that we are being late for a number of projects. In fact, I have to be honest, CWA for all this replacement of pipes and investment that has been earmarked for reservoirs (...) I believe that we have to try to move forward as quickly as possible.”

*Quel aveu de taille !* Quick at imposing 300% increase, slow at implementing the much needed water project! That was in June last year, Rs3.6 billion earmarked for 2015 to 2018!

What is the situation now? Well, last week answering to a PQ from hon. Ameer Meea, the hon. Prime Minister, who is also the Minister of Finance and Economic Development, informed us that from June 2016 to now, the State Trading Corporation has collected levy to the tune of Rs1.5 billion. So, if we calculate roughly from January 2015 to April 2016, it was Rs2 billion; since June last year to now Rs1.5 billion. So, in total, that gives us Rs3.65 billion collected by this Government only under the item Build Mauritius Fund. Only on one item since they have come to power, they have collected Rs3.65 billion from consumers. Rs3.65 billion! This could have saved a lot! This has ground to reduce the cost of living of consumers in this country. And how much was spent on water project since June 2016? Only Rs291 m! This is what the hon. Prime Minister stated last week. Only Rs291 m. out of the billions of rupees collected in the Build Mauritius Fund.

Last week, I have to say again, the Prime Minister has the credit of conceding that true it is that we have identified a number of projects to be financed, but there is a process, and I am told that the process for implementing the project, in fact, involves lengthy task such as investigation works, etc., etc.

So, two and a half years later, Mr Deputy Speaker, Sir, all we hear from this Government is excuse. Excuses after excuses! Money has been collected; Rs3.6 billion has been collected. Why has it been collected? To replace defective water pipes and for three years they have underperformed. This is the truth.

Mr Deputy Speaker, Sir, last week, we were informed by the hon. Prime Minister that we now have Rs5.3 billion in Build Mauritius Fund. This is more than enough! This is more than enough to change whatever pipes this Government wants to change before the end of its mandate. There is absolutely no reason to increase the price of petroleum products when we have accumulated so much money in Build Mauritius Fund. There is sufficient buffer to replace all the water pipes. And it is for this reason that we, on this side of the House, will fully support this motion of disallowance.

Mr Deputy Speaker, Sir, the reason why the price of petroleum products in Mauritius is so high is because there are so many taxes, duties, levies on these petroleum products. If we use the official figures provided by the State Trading Corporation, we note that the price of Mogas, *l'essence* per litre is only Rs16.54 CIF. Only Rs16 CIF, but the retail price is Rs42.7, 158% more than what the CIF cost is. And for gasoil, for diesel, the CIF price is Rs15.67 the selling price is Rs32.54, that is, more than 108%. More than 108% than the price

of CIF! Why do we have such a huge gap? Hon. Members before me set out the reasons. Because we have excise duty, we have Maurice Ile Durable levy, which hon. Mahomed spoke about and which has now been scrapped by this Government.

We have contribution to Road Development Authority; we have contribution to Rodrigues Transport and Storage, contribution to Build Mauritius Fund, contribution to storage facility for petroleum products, contribution to subsidy on LPG, flour and rice. And on top of that, we have a 15% VAT.

Mr Deputy Speaker, Sir, frankly I don't know of any country in the world, where there are so many different levies and taxes on petroleum products. And this is for that very reason, Mr Deputy Speaker, Sir, that on 10 February 2015, I formally asked the hon. Minister of Industry and Commerce if the Government will consider reviewing the various components of the price structure to bring down their prices. That was in February 2015. And I have to point out that the hon. Minister was quite receptive, and this is what he said: I propose to consult my colleague, the hon. Minister of Finance and Economic Development on the possibility of reviewing the price structure for mogas and gasoil. The hon. Minister Gungah proposed to talk to the then Minister of Finance, Mr Lutchmeenaraidoo to see how they can review this price fixing mechanism. That was a very strong commitment to the House, Mr Deputy Speaker, Sir, and then we did not hear anything. So, the then Leader of the Opposition came back with a PNQ on 15 September 2015. Again, from the very outset, the hon. Minister of Industry and Commerce conceded that from January to September 2015, there had been a decrease in the price of petroleum products. Unfortunately, hon. Sinatambou has left, but when he was talking, he mentioned that the price of mogas and gasoil under this Government has never been lower than under the previous regime. That is what hon. Sinatambou said and that is what hon. Gungah said in September 2015. Since June 2014 to date, the Platts price for mogas has decreased from \$1,021 per metric ton to \$519, that is, a decrease of \$500 representing 49.16%. From 2014, under the Labour Government to 2015, the hon. Minister...

*(Interruptions)*

**The Deputy Speaker:** Hon. Duval, allow me to listen to the speech of hon. Uteem.

**Mr Uteem:** From June 2014 to September 2015, the price of mogas had decreased by 49% and for gasoil, it was worst, it had decreased by 50.28%. And hon. Étienne Sinatambou

has the nerve to come and say that it was higher under this Government than the previous Government. 50% lower, the price of CIF!

And then, Mr Deputy Speaker, Sir, during the same period, when the price of mogas had been reduced on the world market by 50%, what was the reduction in Mauritius? Only 12%! And what was the reduction in gasoil? Only 19%!

Only 12% and only 19%, whereas on the world market, the price had dived from 50%, and to justify the limited decrease in retail price, this is what the hon. Minister had to say: I would have wished that the price of mogas and gasoil to have decreased further for the benefit of one and all. However, the Consumer Protection (Control of Price of Petroleum Products) Regulation 2011 regulates the functioning of the petroleum pricing committee and has set up threshold to be observed for the revision in the prices, be it for increase or decrease purposes.

The hon. Minister, Mr Deputy Speaker, Sir, was acting as if this Consumer Protection Regulation was some sort of canonical law, which could not be derogated from.

And today earlier, I heard my good friend, hon. Rutnah quoting from the Press Release of 14 February 2017, issued by the STC, he stated, and I quote –

“There is no other option than to increase the price.”

Why? We had to increase the price because the Regulation said so. Of course, I am not blaming, Mr Deputy Speaker, Sir. I am not blaming at all the Members of the Petroleum Pricing Committee. I am not blaming them. They are just applying the provisions of the Regulation, but, who makes the Regulations?

*(Interruptions)*

**The Deputy Speaker:** Hon. Callichurn!

*(Interruptions)*

Hon. Uteem, please resume your speech!

**Mr Uteem:** Who makes Regulations? Regulations are made by the hon. Minister of Commerce. Who can change the Regulations? The hon. Minister of Commerce and he can change the Regulations without going through this House. He can change the Regulations without any debate and, as a lawyer, I am sure my good friend hon. Rutnah should know better that a Regulation is made by a Minister and can be changed by the Minister. It is not a

question of not having choice. It is a question of the Minister not wanting to change the Regulation. That is why the mechanism had to apply it.

*(Interruptions)*

**Mr Rutnah:** On a point of personal explanation...

*(Interruptions)*

**The Deputy Speaker:** Hon. Rutnah...

*(Interruptions)*

Please resume hon. Uteem!

**Mr Uteem:** Yes.

*(Interruptions)*

Mr Deputy Speaker, Sir, as a matter of fact, this Consumer Protection (Control of Price of Petroleum Products) Regulations 2011 has been amended on, at least, four occasions. On two of those four occasions, the amendments were made by the current Minister of Commerce, hon. Gungah. As a matter of fact, today one of the motions of disallowance that we are debating is precisely one of the regulations that have been made under this Regulation.

It was and it still is within the powers of the hon. Minister to amend the consumer protection regulation to change the price fixing mechanism. But, why has the hon. Minister not done so, so far? Replying to the same PNQ from the hon. Leader of the Opposition in September 2015, this is what the hon. Minister stated –

“I have, therefore, set up a Technical Committee to review the current petroleum pricing mechanism (...)”

“(...) now that the new committee is working to review the price structure, the formula will be different and I am sure with the new formula, that is going to come out very soon, the price fluctuation, be it increase or decrease, will be clearly *répercuté* on the population and everything will be done in the interest of the population.”

And a few hours ago when the hon. Minister of Industry, Commerce and Consumer Protection addressed this august Assembly on this motion, he mentioned that this Technical Committee has made its recommendation and following the recommendation, there has been an amendment to the Regulation.

Unfortunately, the hon. Minister did not table a copy of the Regulations, but, let us see what exactly were these changes about because, to use the own words of the hon. Minister replying to the PNQ of September 2016, with this new formula –

“(...) the price fluctuation, be it increase or decrease, will be clearly *répercuté* on the population and everything will be done in the interest of the population.”

So, let us take a closer look on what was done in November 2015 to ascertain whether what was done was done for the benefit of the population.

First of all, one could have expected, at least when I asked my question I was expecting that the new formula will remove some of the taxes and levies like the levy on *Maurice Ile Durable* which was scrapped. But, no! Instead of removing levies and taxes what did the hon. Minister of Industry, Commerce and Consumer Protection do? He introduced yet another tax without debate in this House! Without any debate, completely outside of the Budget, he introduced a new tax on petroleum products and it was called Contribution of Storage Facilities for Petroleum Products! A new tax surreptitiously imposed on consumers.

And, the hon. Minister just argued a few minutes ago that this was made necessary because we needed storage facilities for our petroleum products. But, should those storage facilities have been funded by consumers? I would like to refer the hon. Members of this House to a Parliamentary Question which I asked back in May 2013 to the then Minister of Commerce and Industry, hon. Sayed- Hossen. There was a controversy in those days because the price of petroleum products had been increased; because the margin made by the oil companies had increased. This is what the hon. Minister Sayed-Hossen stated –

“The oil companies’ operations expenses and wholesale margin were also increased to allow them to construct additional storage tanks to cater for the increased consumption of petroleum products, and thereby prevent shortage of these products.”

Then, when pressed with questions about are we really saying that the oil companies in Mauritius are going to finance storage facilities? This is what the hon. Minister Sayed-Hossen stated –

‘we badly need storage space, and the major part of the increase in margin which has been granted to the oil companies, has been calculated to finance over between 12 years and 15 years, the construction of 25,000 tonnes of storage

space, which the country badly needs. This will be done totally by funds which are from the oil companies, and part from the increase that we have given them, which is actually - - 18 cents per litre.'

Clear indication! And I pressed him again. I said "are you sure?" and he stated: I can certainly table the joint commitment that has been given by those companies to construct between 7000 and 8000 tons."

So, we know, back in 2013, oil companies, the big barons were given a huge margin increase to construct storage of petroleum products and today...

*(Interruptions)*

we are told that we have now, us, the consumers of this country, to pay for the construction of storage facilities! Why has the Government not gone after these oil companies and asked them to construct the storage facilities which they promised to construct? Was it easier to fleece the consumers than go after these big barons of the oil industry?

Moving to what this Regulation of November 2015 did, the first Regulation, and again I will remind the House that the purpose of this Technical Committee was to come up with a formula for the benefit of the population. So, what they came up with is a new definition of reference price. The hon. Minister explained that now the reference price would be an average of Platts prices for 3 months prior and 3 months later. Fair enough! I don't have any qualms with that.

But, what the hon. Minister does not say is that the Regulation goes on to say that where the reference price is lower than last month's average Platts price, the STC shall, in determining the retail price of petroleum products, use last month's Platts price. This is why, Mr Deputy Speaker, Sir, I started my intervention by saying that: head I win, tail you lose! Here the consumer is always losing. If the reference price is higher than Platts, STC will use the reference price. If the reference price is lower than last month's Platts, the STC is going to use last month's Platts price. How can this be in the best interest of the population? How can using always the highest price be in the best interest of the population?

And the regulation goes on to provide for a Price Stabilisation Account. The hon. Minister, again, when he intervened, he sounded as if that thanks to this Price Stabilisation Account, thanks to the amendment he brought to the Price Stabilisation Account in the regulations, thanks to his amendment now, we were able to get 2 times a reduction in the price of diesel and gasoil since November 2015 and in 2016. True it is, we got 2 decreases.

But was it because of the amendment he brought? No! As far back as 2011, the original regulation - even before he was Minister - in 2011 section 5 (2) already stated that the retail price of petroleum products shall be decreased where its calculated price is lower by - it used to be 7% and it is now reduced to 4% - 4% or more, but not more than 10%, it used to 15%, than the existing retail price. So back from 2011, if there was a reduction in the calculation of price, that of more than 4% and less than 10%, we were bound by law to send that on to the consumer. So, it's not because of the amendment to the Price Stabilisation Account.

Now the hon. Minister Sinatambou mentioned that he doesn't understand why we are against the Regulation 26 that was passed and he mentioned that the only argument advanced by hon. Alan Ganoo seemed to have been because this is going to lead to further price increases. But this is true, Mr Deputy Speaker, Sir. This is true, what are we doing? What has this Government, through his Minister of Industry, Commerce and Consumer Protection, done in February of this year? What was the amendment brought by Government Notice 26 which we are now objecting to? Previously, we have in the Regulation, a provision which stated that the retail price of petroleum products shall be increased where there are no funds in the Price Stabilisation Account or where the funds, in the Price Stabilisation Account are used but the new calculated price is 4% more than the existing retail price. So, before the amendment, what the regulation provided is if you don't have any fund in that Price Stabilisation Account and there is more than 4% increase in the price of petrol, you are bound to increase the price. You are bound, you don't have the choice, you have to increase it! Now, what is the proposed amendment doing? The proposed amendment is saying that you can only increase not when you don't have any money but if you have less than Rs100 m., which means that as long as you have less than Rs100 m. in the Price Stabilisation Account, you can increase it however much you want. How can that be in the best interest of the population? How can that be?

*(Interruptions)*

Mr Deputy Speaker, Sir, the other reason why we, on this side of the House, are in favour of the motion of disallowance is because of its direct and indirect impact on the economy of such an increase, especially on small and medium enterprises. Only last week, the hon. Minister of Business, Enterprise and Cooperatives, answering to my PQ, revealed that since April 2016 to date, MauBank has disbursed only Rs71.25 m. in respect of 140 applications. Only 140 applications! Only Rs71 m. disbursed! We are far from the billions, the 2 billions promised annually by the former Minister of Finance. The truth of the matter,



Mr Deputy Speaker, Sir, is that SMEs are going through a tough phase. The world is getting more competitive. Our SMEs cannot afford increase in their cost of production. And we don't need, Mr Deputy Speaker, sir, to be a Noble Price Winner in economics to know the relationship between an increase in the price of petroleum products and the increase of an end product. An increase in petrol and diesel prices means higher expenses, higher expenses means higher cost of production. Now, some producers are able to pass on that cost on to the consumers, some have to absorb it because they have already finalised their orders, they cannot increase it.

But, unfortunately, Mr Deputy Speaker, Sir, this simple equation seems to be beyond the understanding of the hon. Minister of Industry and Commerce. On 02 March 2017, at an event organised by the Fashion and Design Institute in Ebène, on 02 March 2017, this is what the hon. Minister stated and I heard it. It is still there on the internet. It can still be accessed on various radio channels –

*“Prix l'essence, diesel monter, pas kapav prix dholl puri monter! Ki relation ena entre prix l'essence, diesel et dholl puri ? Mo croire nou pas servi l'essence et diesel dans dholl puri”*

What relationship is there between the price of petroleum products, *l'essence, diesel* and the price of *dholl puri*? As far as he is aware, we don't use *l'essence, diesel dans dholl puri*. And even threaten that he is going to use National Price Consultative Council to revoke immediately the licence, without warning of these poor *dholl puri* sellers. We don't use petrol and diesel in *dholl puri*! So maybe the *dholl puri* flies from the kitchen to the shop. We do not need to transport it! We do not need to transport vegetables! We do not need to transport workers! We do not need to have any increase in cost of production! We do not need to transport in this country in bicycles! Maybe the hon. Members may use bicycle, but a lot of people now use petroleum products in cars and vans. And of all people, Mr Deputy Speaker, Sir, the hon. Minister for industry, Commerce and Consumer Protection, ought to have known better that the price of petroleum products directly or indirectly affect the cost of production of manufacturers. There are increases in the mini buses, the vans, those who transport people to work, the '*bus l'usine*' as we say it. And it is a fact that the cost of production has increased as a result of an increase in petroleum products. And, of course, the public in all that, it's bad enough that they have to spend hours in the traffic jams every day. Now, they even have to pay more to suffer in their cars.

M. le président, l'augmentation du prix de l'essence et du diesel est injuste et injustifiable. Ce gouvernement ne peut continuer impunément à pénaliser les consommateurs et usagers de la route. Il y a suffisamment d'argent dans le *Build Mauritius Fund*, bien plus qu'il n'en faut pour remplacer les conduites d'eau. En vérité, le prix de l'essence et du diesel sont plombés de taxes et autres charges. Ce qu'il nous faut, c'est une refonte complète du mécanisme pour fixer le prix de l'essence ; comme nous l'avait promis l'honorable ministre en Septembre 2015. Pour toutes ces raisons et pour les raisons avancées par les autres honorables membres de ce côté de la Chambre, nous voterons en faveur de la motion d'annulation de ces deux règlements.

**The Deputy Speaker:** Hon. Prime Minister.

(10.37 p.m.)

**The Prime Minister:** Mr Deputy Speaker, Sir, let me first of all say that, in a spirit of parliamentary democracy, we have seen to it that the debates do take place on a second motion coming from the Opposition in very short span of time.

In fact, this motion - I have been listening very carefully to practically all Members - has shed light on the situation with respect to gasoline prices and the reasons and the rationale behind the increase in the retail prices of these products. I must stress here, myself, in the past, I have participated in debates on such a motion; my intervention on 23 June 2009, whereby the former Leader of Opposition had tabled a motion of disallowance where the operations of the STC were then shrouded in opacity. This is, in fact, what I have said, and I quote –

*« (...) si on est arrivé à cette motion d'annulation que le chef de l'opposition a présentée aujourd'hui, c'est la résultante d'une culture d'opacité qui s'est installée à la State Trading Corporation. »*

I am talking about 2009. We know what was the situation then with all that has been said by some Members on this side of the House.

Now, these days of opacity, I must say, are well behind us. When I say the days of opacity are well behind us, true it is that you might not agree with all the taxes that are imposed, but at least - I think if you are honest enough - we agree that you know exactly what are the taxes and how much money they bring to STC and to Government.

My colleague, the hon. Minister of Industry, Commerce and Consumer Protection, has very transparently provided to this august House all the details relating to the pricing of petroleum products. In fact, I had also prepared a lengthy intervention with regard to that, but I am not going to waste the time of the House and repeat the same thing that my colleague has said earlier. As Prime Minister, I can assure the House that I am advocating a strict adherence to a culture of openness and transparency in the management of public affairs. This motion, in fact, provides a very opportunity to establish those facts.

Now, the mover of the motion, I must say, has come up with a number of arguments. I have also listened to other Members from the Opposition in their interventions and I must say that, on this side of the House, we are not convinced at all that there is enough justification to disallow the Regulations. It is easy and tempting for the Opposition to try and politically cash in on a situation when the petroleum prices are going up even though that it is none of our doing. In fact, prices, especially of commodities on the world market, they do go up and down and as an importer and in particular, I must say, a very small importer, we are just a minute part of it.

I can also understand why we have during discussions with India with regard to our importation how we have tried to find out that we get the best possible price because alone, it would have been more difficult because of the quantity that we import. Therefore, Mauritius, in fact, on the world market, we can only be a price taker. I again must say thanks to the Government of India. We are able to buy at a particular price. Of course, it depends also on the reference price, but I don't need to go into the details on the process for adjusting the domestic retail prices to the trends on the international market, as my colleague has already explained in a comprehensive way. But, let me, however, stress that, as a purchaser, we do not have any control on some of the determinants of prices of petroleum products which are on the international price, the freight cost and the exchange rate of the US dollar. We also do not have any control on the stability of the prices. They have proven not only to be very highly volatile in the recent years, but I must say, Mr Deputy Speaker, Sir, the magnitude of the changes in prices has also been at times overwhelming.

Indeed, the change in the price of oil has taken even the most informed analyst by surprise when it had dropped from US\$120 per barrel in January 2014 to as low as US\$31 per barrel by January 2016 over a relatively short period of time. I think we have been watching, reading and especially looking at what the financial analysts have been forecasting. We have seen on how many occasions they have gone wrong and very wrong, Mr Deputy Speaker, Sir.

In recent months, we have been seeing what may be another rising trend in prices. The price of barrel of oil is now around US\$53. The high volatility and unpredictability of petroleum prices on the world market are, in fact, the very reasons why, in Mauritius, we have the Petroleum Pricing Mechanism as well as the Price Stabilisation Fund. I must say that I am a bit disappointed with the mover of the motion. I listened very carefully and I thought he would, at least - even if he was to be critical - comment on the Price Stabilisation Fund because that is an important element with regard to protecting the interests of consumers and of the population. We can't be faced with a situation where we are at the mercy of only the fluctuation of the price of petroleum on the world market. I would say *un gouvernement qui est prévoyant, un gouvernement qui veut avoir une flexibilité*. This is why we have the Price Stabilisation Fund. I have heard the last orator saying, well, if we have in the Fund so much money, then we want to build up a reserve. Yes, we want to build up a reserve because that is the very purpose of how we can, at a time which is supposed very difficult for the country and for the people, use these funds to stabilise the price, at least, for some time, depending on, of course, how prices will fluctuate.

Therefore, I said admittedly that there have been some adjustments in the past to improve the pricing mechanism and to ensure that it is fair and consumers are well protected. As it stands now, the retail prices are adjusted to world prices only if the adjustment exceeds 4%, and the maximum increase in retail prices can only be 10%.

This is made possible for the Price Stabilisation Fund, as I have said, which, at the same time, protects the consumers from the major shocks in prices. I think the only Member from the PMSD who spoke was hon. Baboo. He said that, with regard to the issue of excise duty, VAT - I can't remember exactly, but I think this is what he meant - we are fleecing the people.

I will just remind him of one thing. Maybe, he was not there at that time. When I look at how much money has been collected, when his leader was Minister of Finance, in terms of excise duty, in 2013, it is 2,771,918,400 and so on. And do you know what is the estimated amount today? Rs3.2 billion. In terms of VAT, Rs2.4 billion. Today, what we expect for this financial year is Rs2.034 billion. They were not fleecing the people in terms of excise duty and VAT then? It's only now that we are fleecing people?

I won't go into the other details of it. The hon. Member talked about contribution to RDA, contribution to Rodrigues, transport. Then, the going was good!

*(Interruptions)*

I don't mind from this side because the hon. Member was not in Government. The hon. Member is saying that we should not. Fair enough! That is his opinion. But, from the PMSD side, they were here like a few months ago, and all this was there. There and then, they should have said, "Look, we are not agreeable to this; we should have removed this in the interest of the people." I am sorry to say that this is, unfortunately, unfair. I don't want to use another term. Unfair!

Some Members have been making reference to the MID levy. True it is that we have abolished the Fund, but I call it a tax; the MID levy. Now, just to give some figures, because some Members were saying that we are collecting money and what is happening to that money, in 2014, we collected Rs128 m. I want to be transparent. That's why I am giving the figures. In 2015, Rs130 m.; 2016, Rs143 m., making a total of Rs401 m. for these three years. There have been a number of projects that have been financed from this amount.

In 2015, it was only Rs5 m., but in 2015/2016, Rs274.1 m. were spent. I am not going to give the list of projects, but just to name probably two of them: Solar Water Heater Grant Scheme phase 4, Rs159.5 m., and subsidy on solar energy projects, Rs68.4 m., amongst others. Now, in 2016/2017, Rs113.9 m. were spent. Again, Solar Water Heater Grant Scheme phase 4, Rs19 m.; Household Composting Scheme, Rs10 m., amongst others, making a total, for these three years, of Rs393 m. So, Rs401 m. collected, Rs393 m. having been spent. I think this should enlighten the House with regard to how the money has been spent.

Just to remind the House that excise duty is directly on the price of mogas, Rs10.8 per litre, and Rs3.3 per litre on diesel, whereas, of course, I agree that VAT is with regard to the total amount. I am also informed that the accounts - because this issue was raised - of the STC were allegedly not published, but I am told that the accounts of STC are audited by the National Audit office and that the National Audit office has certified the accounts for 2015 for STC in March, this year, and it will be published shortly.

Mr Deputy Speaker, Sir, let me add also that the retail price of mogas in Mauritius is now Rs42.7 per litre. I heard this from hon. Baboo, and hon. Uteem said that he does not know of any country in the world where there are so many taxes. But let me give him the figures and he will conclude for himself. In Mauritius, the price is Rs42.7 per litre and this is

lower than in a number of countries, including UK. UK is a producer of petrol; it is an oil producing country, where the price per litre is Rs53.74.

Some more examples: Ireland and France – Rs54.48; Italy – Rs56.32; Hong-Kong – Rs70.31; Mayotte – Rs56.65; Zambia – Rs46.99, and Singapore – Rs52.11. Similarly, for the price of gas oil, which is now in Mauritius Rs32.45, compared to Hong-Kong – Rs54.94; in UK, *le pays de sa majesté* – Rs54.94; in France – Rs48.31, and again Mayotte – Rs46.50, just to name a few.

So, Mr Deputy Speaker, Sir, let me just compare with one country. A country like UK, which is an important producer of oil, is selling at a higher price than Mauritius, and yet we import from India, we have all the costs of bringing that oil to Mauritius, including the insurance and so on, and yet selling at a cheaper price than UK. So, I let the people of this country realise what is happening.

Now, fair enough, you can say, “Well, if we remove all these taxes, the price will go down.” Certainly! But I did answer the PQ that was asked on the last occasion, and I said, “Look, first of all, how do we finance the budget and how do we finance the projects that we have initiated with regard to our programme and with regard to the vision that we have for the country?” If we are not going to collect those taxes, we will need to put taxes elsewhere. Okay, fair enough, I grant hon. Ganoo what he said! *Au moins je salue cette proposition d’essayer de prélever les taxes ailleurs.* Okay, we will look into that. Of course, it is a question of choice.

*(Interruptions)*

*Taxe sur les fortunes, les villas, les grosses propriétés, etc.*

*(Interruptions)*

Again, let me remind the hon. Member that we have taxes on villas, but it is a question of whether we increase those taxes so that they can recoup, if ever we decide to lower or to eliminate those taxes here. So, again that is a matter, and I believe that because we are also preparing for the next Budget, there is going to be discussions, and I am open, of course, to any suggestions that are being made. But, eventually, of course, a decision will have to be taken.

Mr Deputy Speaker, Sir, I don’t want to be long, but let me also say there is one thing which really made me a little bit unhappy when hon. Utem said, yes, we are not a

Government that has kept its words. He said, “*Paroles et paroles!*” I mean, we are at this time of this debate, but I think “parole donnée, parole sacrée”, we know what it means. So, I don’t want to go into that. Two Members should know about it. Hon. Uteem and hon. Bhgawan should know what I am thinking of when we say, “*Paroles et paroles*”.

*(Interruptions)*

I won’t go into that. Let me end. We want to be on a sweet note.

*(Interruptions)*

There is also another motion now which is going to be debated, so we should keep the House as smooth running as possible and we have to help you also, Mr Deputy Speaker, Sir, because we know when you are in the Chair...

*(Interruptions)*

So, let me say that the House will appreciate that all the facts and figures relating to the inevitable increase have been, in fact, transparently explained. And in the light of those facts, I must say that the motion has not stood the test of justification and should be rejected.

Thank you.

**The Deputy Speaker:** Hon. Ganoo!

(11.00 p.m.)

**Mr A. Ganoo:** Mr Deputy Speaker, Sir, I will also try to be as short as possible. I will try to reply to some of the points that have been raised by the Government side. I must say, Mr Deputy Speaker, Sir, the more I have listened to the hon. Members on the Government side, the more I am convinced that this Motion of Disallowance has its *raison-d’être*, because there are a few issues which we have raised on this side and which have not been answered by the hon. Prime Minister or the other interveners from the other side of the House.

In fact, Mr Deputy Speaker, Sir, nobody said from this side of the House that it is this Government which has come and imposed all these levies for the first time. I didn’t say that! In fact, I remember I used the words ‘Government retention’, that is, they retain what was already there. But the first point which I wish to make in reply is on this question of transparency. In spite of the assurance given by the hon. Prime Minister and the other points made by other Members of this House, I repeat what I said in my speech, Mr Deputy Speaker, Sir. This whole issue of the price mechanism, the way the price of the petroleum

products has been decided is still shrouded in some form of opacity. And I give as evidence the answer of the hon. Minister himself to the PQ which hon. Jahageer, Third Member for Rivière des Anguilles and Souillac asked in March of this year and the Minister said -

“Regarding part (b) of the question, since the contract value of petroleum products is commercially sensitive in nature, any disclosure of its contents may cause serious prejudice to third parties with whom the supplier is engaged.”

In spite of the fact that earlier on in regard to another question, the hon. Minister vouched, pledged – that was to hon. Uteem - that as soon as the discussions are over, he will apprise not only Cabinet, but also the House of the outcome, and inform hon. Members of the details of the discussions. This is why I say, Mr Deputy Speaker, Sir, that on this question of opacity, the hon. Minister, when I asked him about the reference price, true he gave a reply and explained to the House how the reference price has been changed from six months before and six months for the future to three before and three months in the future. But when we look at the Regulations, Mr Deputy Speaker, Sir, there is one thing which the hon. Minister did not, in fact, say anything. I am referring to the Regulations of 2015 and also of 2011.

“CIF” or “Cost, Insurance and Freight”, in relation to a petroleum product, means the total sum of –

- (a) the reference price of the petroleum product;
- (b) the premium paid to the supplier;”

Nobody knows what the premium which is paid to the supplier and the hon. Minister did not enlighten us also on that issue, Mr Deputy Speaker, Sir. The reply which I want to give the hon. Minister also is, therefore, why don't we change the Regulations from three months to one month before and one month subsequent so that, then, the reference price will be closer to the real FOB? As I said, the practice in industry is two days after the product is lifted and sent to the other country, two days before and two days after; six months after and six months before has been reduced three months after and three months before. So, why don't we, in future, consider the possibility of changing it from one after to one month so that the reference price becomes less artificial and more reliable?

Now, concerning the funds, Mr Deputy Speaker, Sir, unfortunately, again, I suppose that the hon. Prime Minister tried to make some efforts to explain about the funds. But the hon. Minister did not, I am sorry to say that. And I am really sorry to say that this morning,



Mr Deputy Speaker, Sir, there was a question of mine on the Order Paper. It is the last but one question.

I asked this question to obtain certain information. Unfortunately, we did not reach that question as to whether in regard to mogas and gasoil, he will obtain from the STC for the years 2015, 2016 and 2017, up to now, information about the funds collected in respect of the funds and how much was spent, the excise duty on Maurice Ile Durable, BMF Fund, subsidy on rice, value added tax and used from the Price Stabilisation Account. So, all the details about all these different levies, contribution, subsidy, we want to know how much is collected yearly for each of these funds, how much has been spent out of these funds. This would have been transparency.

The hon. Prime Minister gave us the answer for VAT, for example. He just gave us the reply, so much the better. But, I think, today, in the course of these debates, the hon. Minister should have come *par un souci de transparence*, open his heart and open the books and show to the Opposition and to the nation, this is how much for such year, 2015, 2016, 2017, we have collected for each of these levies, subsidy, contribution and how much has been spent. Unfortunately, this has not been done, Mr Deputy Speaker, Sir.

Even on the question of subsidy how much is being spent for a breakdown on these three items: flour, rice, LPG. For LPG, the price came down because we know what happened on the world market, Mr Deputy Speaker, Sir. It is true, *la bonbonne* was reduced here, we all know, but we remember also how the price of LPG collapsed on the world market at this time.

Now, the Saudi contract price, if I remember well. So, again, Mr Deputy Speaker, this is why we do not want to impute motives, but we feel, Mr Deputy Speaker, Sir, that Government *ne joue pas carte sur table*. This is why in spite of all these, the Prime Minister, Senior Ministers have taken the floor on the other side, *on est resté sur notre faim* and the information that should have been provided has not been provided, Mr Deputy Speaker, Sir.

With regard to the PSA, the Price Stabilisation Accounts, Mr Deputy Speaker, Sir, we know that STC makes a lot of profit on aviation and bunker fuel. I am sure the hon. Minister must be aware of that, but not a word. In fact, four years ago, Mr Deputy Speaker, Sir, I was Leader of the Opposition. It was my first PNQ to the then hon. Prime Minister and I remember how hon. Jugnauth came in one or two supplementaries during this first PNQ which I asked as the Leader of the Opposition. At that time, *en 2013*, Mr Deputy Speaker,

Sir, the surplus, the profits made by the STC on the sale of aviation fuel and bunkering for 2011, 2012 and 2013 ranged from R 329 millions à R 553 millions. It should be more now. Unfortunately, we don't have the figures with regard to the profits made by STC on the sale of aviation fuel and bunkering for the past years, Mr Deputy Speaker, Sir. I say that because we know also *en 2015* in a PQ put by the then hon. Leader of the Opposition to the hon. Minister, this is what the hon. Minister said –

“I am informed by the STC that its surplus for the year 2014 was Rs442 m., and the surplus for the period January to June 2015 is Rs428 m. The accumulated reserves of the STC as at 30 June 2015 stood at Rs2.5 billion. An amount of Rs1.45 billion has been earmarked by the STC for remittance as dividends to the Consolidated Fund in financial year 2015-2016 for Government to implement projects in its Public Sector Investment Programme.”

So, Rs1.45 billion earmarked by the STC for remittance as dividends to the Consolidated Fund. This is one year ago, Mr Deputy Speaker. And now, I think, I don't know, somebody from this side of the House said: if the STC has been wrongly managing things, why do we have to make the consumers pay for that mismanagement?

Mr Deputy Speaker, Sir, we are not against the objective of the fund. Who, on this side of the House, is against giving subsidy to the Rodriguans against the infrastructural project? But the point of the Opposition which has been unanswered again by Government is: why don't we have a single unified, amalgamated tax and ensure that the money - whatever sums, whatever levies - is to be paid, goes to the Consolidated Fund as capital expenditure so that there might be better control and oversight. This is the point also that we are making, Mr Deputy Speaker, Sir, which has been unanswered. And, as I said, most of these funds go outside the remit of the Director of Audit and are not being monitored by the Director of Audit, Mr Deputy Speaker, Sir.

Now, there is another thing also. Mr Deputy Speaker, Sir, it is about one of the items, about the oil companies operational expenses and wholesale margin. Mr Deputy Speaker, Sir, this is a levy for the oil companies, operational expenses, the majors, *les grands barons*, Rs1.82 on mogas, Rs1.66 on gasoil. If we compute and we rely on the figures given by the hon. Minister, *200 millions litres d'essence, 250 millions litres de diesel par an*, if we calculate that, Mr Deputy Speaker, Sir, you know how much the amount comes to? R 780 millions that middle-class people, poor people are being made to pay for oil companies

operational expenses. So, we are not doing politics, Mr Deputy Speaker, but we are just *on constate un fait* and we are not agreeable with that state of affairs. And when we say we must be careful about all these items because hon. Uteem talked about the SMEs, I talked about the industry, the effect that all these taxes can have on industry, the rise of petroleum products.

Mr Deputy Speaker, Sir, did you know that there is an item *qui frappe* on mogas and gasoil, on the CIF price. This item is the excise duty. Now, I have in my hands the Press Release of the STC. We all have a look at it. It is on the website of the STC. Now, this item 'Excise Duty', you know for mogas per litre *c'est Rs10.8*, but you know how much it is for gasoil, for diesel? Rs3.3! There is a wisdom in that, Mr Deputy Speaker, Sir. Those who ruled this country before us, when they decided to impose Rs10 of excise duty *sur l'essence, mais R 3.00 seulement sur le diesel*, why did they do that? Who uses diesel in that country? We know *les chauffeurs de camions*, industry and so on.

So, this is why, in their wisdom, they imposed only Rs3 for excise duty on diesel *mais R 10* per litre for *l'essence*. So, this is why, Mr Deputy Speaker, Sir, now you come with a Build Mauritius Fund which is a new fund Rs4 *l'essence*, Rs4 diesel! You come with Contribution to Subsidy, Rice Rs2.7 *l'essence* and Rs2.7 diesel? As hon. Uteem said, it is the Minister who is responsible for the Regulations and this structure appears in the Regulations. He can change it anytime, but, I think we should have thought whenever we impose a new levy we must bear in mind what is the importance of diesel as an input, as a motor in the economy of this country, Mr Deputy Speaker, Sir. That is why excise duty has been different for years, for long time, as far as diesel – Mogas and Gas Oil are concerned.

Mr Deputy Speaker, Sir, unfortunately, we don't have the figures. How much is collected from all these funds. Hon. Dr. Kasenally said it, this morning, in his article. What he wrote in the papers talked about Rs14 billion. He reached that figure. He might be right, he might be wrong, but, the Minister would have given us the right figure. Whatever figures you can think about, Mr Deputy Speaker, Sir, if we take only two items, I did the exercise and I have corrected it in the light of what the hon. Minister told me this morning.

Mr Deputy Speaker, Sir, for Build Mauritius Fund, if we calculate on the basis of 450 *million de litres* inclusive of diesel and *l'essence*, it comes to *R 1.8 milliards*; for the RDA it comes to Rs1 billion and for subsidy on rice, flour, LPG it comes to Rs1.5 billion. *R 4.3 milliards* for only three of these levies!

Mr Deputy Speaker, Sir, now, let us look at the revenue...

*(Interruptions)*

Let us look at revenue from taxes in our estimates. Mr Deputy Speaker, Sir, for one year, land transfer tax reaps us, we get only Rs1.9 billion from Land Transfer Tax - only Rs2 billion for registration duty on transfer of immovable property in the whole island for one year. Registration duty on transfer of motor vehicles for one whole year is Rs1.3 billion, income tax individuals per year only Rs8 billion!

So, I am just ...

*(Interruptions)*

I am just...

*(Interruptions)*

**The Deputy Speaker:** Order!

*(Interruptions)*

Allow hon. Ganoo to conclude! Yes, hon. Ganoo, please try to conclude!

**Mr Ganoo:** I am finishing. I have a few minutes more, Mr Deputy Speaker, Sir. So, what I am saying is that I am just helping the House and the nation to understand the magnitude of the amount which consumers of petroleum products in this country are being made to dish out each year, Mr Deputy Speaker, Sir. And we are comparing what we are collecting out of this price mechanism to other sources of revenue in this country. This is what I am doing, Mr Deputy Speaker, Sir.

And I opened the door to the hon. Prime Minister. I reminded him that in the last parliamentary question he answered last week he, himself, conceded that he will consult his colleague, the Minister of Industry, Commerce and Consumer Protection to see whether another formula can be devised in terms of the number of levies, whether there should be any rationalization. I say it again, Mr Deputy Speaker, Sir. The hon. Prime Minister, who is an experienced Minister and who has been Minister of Finance in two or three governments, did not reply on his question of TVA. He did not reply!

*Le dernier point est le point fort* for the case for the Opposition. Why should TVA be imposed not on the CIF price but on the whole of the total sum of the plethora, of the *éventail* of all these levies and contributions, at the end and it makes a difference of Rs2 or Rs3 if that TVA would have been at the top just after excise duty and not at the bottom after all these

contribution levies, Mr Deputy Speaker, Sir. This is the unfairness of the situation. And, that is why we appeal to the hon. Prime Minister, next Budget is not very far, to consider the possibility of reviewing the structure of that mechanism by subjecting only the CIF price and perhaps the excise duty under the VAT.

Mr Deputy Speaker, Sir, I think, as I said, we are not doing politics today, *c'est dans un souci de donner un coup de main à la classe moyenne de ce pays* and I don't have to repeat what I have said. We have come with this motion in order to provoke a debate in this House but also, Mr Deputy Speaker, Sir, so that *la voix de la raison puisse être écoutée par le Premier ministre et le gouvernement*.

I have done, thank you, Mr Deputy Speaker, Sir.

*(Interruptions)*

**The Deputy Speaker:** Hon. Ganoo, you will be making the move...

**Mr Ganoo:** I move in terms of the motion, Mr Deputy Speaker, Sir, you have to put the question to the House, I think.

*The motion was, on question put, defeated.*

**The Deputy Speaker:** The motion is defeated. Hon. Armance!

*(Interruptions)*

## **ENVIRONMENT PROTECTION (AMENDMENT OF SCHEDULE) REGULATIONS 2017 – G. N. NO.40 - DISALLOWANCE**

(11.26 p.m.)

**Mr P. Armance (First Member for GRNW & Port Louis West):** Thank you, Mr Deputy Speaker, Sir, I beg to move the motion standing in my name on the Order Paper namely –

*“This Assembly resolves that the Environment Protection (Amendment of Schedule) Regulations 2017, published under Government Notice No.40 of 2017 and laid on the Table of the Assembly on 28 March 2017, be disallowed.”*

**Mrs A. Perraud rose and seconded.**

*(Interruptions)*

**The Deputy Speaker:** Hon. Jhugroo!

*(Interruptions)*

**Mr Armance:** Mr Deputy Speaker, Sir, I will appreciate if the other side of the House can please listen to me and avoid comments.

*(Interruptions)*

**The Deputy Speaker:** Order! Hon. Callichurn!

*(Interruptions)*

Hon. Armance, please!

*(Interruptions)*

Hon. Armance!

**Mr Armance:** Mr Deputy Speaker, Sir, allow me one minute of introduction before I come to the G. N. 40, the motion that I am contesting today.

Mr Deputy Speaker, Sir, I am 37 years old and I spent my childhood in a very nice place in Port Louis, named Sainte-Croix. That time of my life, Mr Deputy Speaker, Sir, I used to play with my friends at the foot of mountains and go fishing in streams and rivers. That time of my life, Mr Deputy Speaker, Sir, where our Motherland was full of green areas everywhere and the level of pollution in some regions were still very low. Then, things change. Various industries were implemented in in the region of Port Louis and in the vicinity and then came pollution, noise pollution, air pollution and even water from the river were polluted. This will remind me, Mr Deputy Speaker, Sir, of my first trip to Asia. Well, I have visited one country and I was shocked to see a dark sky. I was shocked because I was not able to breathe properly in this country.

The reason of this introduction, Mr Speaker, Sir, is that I'm trying to ring the bell. Today, I want everyone in this House to understand that at the end of the day we don't want our Motherland to look like those countries which have a very high level of pollution. I want to ring the bell so that all the Members of this Parliament realise what can be a negative impact of pollution on our day-to-day life. How our lives, all of us here, even you, Mr Deputy Speaker Sir, Sir, will change if we allow our country to be polluted. Let's take one minute to understand the whole issue about the publication of the G. N. 40 of 2017 dated 04 March, known as the Environment Protection (Amendment of Schedule) Regulations 2017.

We have enlisted the Light Rail Transit System known as the Metro Express Project which would be undertaken by the Metro Express Ltd, bearing registration number C 16 122606. Let's see the difference between a non-listed and an exempted undertaking under the Fifth Schedule of the Environment Protection Act 2002. An exempted undertaking which is ruled by section 28 of the EPA 2002 shall submit an EIA to the Director of Environment who after examination shall refer it together with a public comment received by the EIA Committee for any comment or recommendation. Then, the EIA Committee shall refer to the EIA together with its comments and observations to the Minister for his decision. The Minister shall then follow section 24. If approval is given, cause the Notice to be published in the Gazette and two daily newspapers. A non-listed undertaking, Mr Deputy Speaker, Sir, can start working without informing the Director of Environment or the Ministry of Environment as the undertaking is not listed in the Fifth Schedule. The G. N. 40 of 2017 has thus not exempted the Metro Express Project, but enlists it from part (b) of the Fifth Schedule resulting with the project being able to start without any environmental clearance as an exempted one would have been. Let me quote this sentence from the website of the Ministry

–

“As a Small Island Developing States (SIDS), Mauritius has a fragile ecosystem and is increasingly faced with global crisis namely climate change, loss of biodiversity, poor management of toxic chemicals and hazardous waste, marine pollution.”

The requirement of the State to conduct an Environmental Impact Assessment in respect of activities that are likely to significantly affect the environment has been reflected in Principle 17 of the RIO Declaration on Environment and Development. Article 5 of the Legal Principles for Environmental Protection and Sustainable Development adopted by the expert group of environmental law of the world commission on environment and development. Such a requirement in the context of the transboundary impact has also been incorporated in several regions agreement. UNECE Convention on Environmental Impact Assessment and several regions agreement concluded under UNEP Regional Seas Programme and realisation on international bodies.

Now, let's see what is an EIA and why do we need an EIA? EIA is a study that predicts the environmental consequences of a proposed development. It evaluates the expected effect on the natural environment, human health and property. This study requires multidisciplinary approach. The EIA compares various alternatives by which the project could be realised and seeks to identify the one which represents the best combination of

economic and environmental costs and benefits. Alternatives include location as well as methods, process technology and construction methods.

EIA is one of the most important tools for sound decision making and achieving sustainable development. The EIA report shall ensure that all socio-economic and environmental parameters are addressed and their impact are identified and taken into account in the project design. The EIA report shall provide substantive and indicative information on the proposed measures to mitigate all adverse environmental effects as well as the opportunities for environmental enhancement to enable proper assessment.

Let us see the application of the EIA Certificate on the Metro Express. The biophysical environment consequences related to the Metro Express is significant. From construction to operation stage, the noise related issues will represent a danger to the surrounding environment. Use of heavy vehicles, heavy machines examples: excavators, loaders will emit vibration to existing construction and may lead to cracks and irremediable damage to those existing structures. Without a proper assessment, Mr Deputy Speaker, Sir, we will be unable to determine whether this existing structure can resist to vibration. We will be unable to determine where we have to take precaution to reinforce, to backdrop existing property to avoid damage. Generally, railways airborne noise are generated from wheel rolling over the rails – the rolling noise - sharp curves, braking or traction motors, ventilators and air conditioning. During the operation of the metro rail, railway contact with trap generate noise and vibration, I just mentioned it before, engine cooling fans and generators further increase ambient noise and vibration level inside the clutches.

As far as I know, since this will be the first Metro Project in Mauritius, we are unable to guarantee that there will be no adverse effect on our surrounding environment. Mr Deputy Speaker, Sir, impact on the biophysical environment including land use, topography, geology, soil, fauna and flora, ground, surface water, air quality and the socio-economic environment including noise, vibration, traffic impact, visual impact, property impact, safety and security can be identified only by way of a proper assessment.

Another threat, Mr Deputy Speaker, Sir, that make occur in the consequences attached to the air pollution level despite the Metro will not contribute significantly to air pollution directly. There will be various indirect air pollutant emission which will be generated due to substantial traffic congestion occurrence. This will contribute to the increase of air toxic also known as hazardous air pollutant. It's known now that the air toxic may lead to health



problem like cancer, neurological problems and respiratory illness. Metro Rail will need nearly 40 megawatts power to operate trains and for the lighting and air conditioning of stations.

Now, Mr Deputy Speaker, Sir, we have been talking about blackouts in this august Assembly. We are currently been told that that the energy supply for our own needs will not be enough in a short-term. Do we reconcile that we have enough power to supply the Metro Project? Do we have enough resource to cater for the requirements of this project? These are questions that I am asking myself because at no point in time, we have received information from the Minister about this project under the energy consumption side. Are we going to build more power stations in Mauritius? Are we not increasing the risk of air pollution by building more power plants and all the associated adverse effect on our environment?

Let us not forget what is currently happening at CEB St Louis.

We have been talking about it in the House today. The inhabitants and the surrounding are constantly under the risk of air toxic where their health is at risk.

The Metro Express project and its social economic consequences, this is again directly related to the EIA assessment, and it measures and identifies potential impact on human's life and its surrounding. First, Mr Deputy Speaker, Sir, I would like to elaborate on the design of the Metro express which has been announced as a 26 km track and 19 stations starting from Port Louis to Curepipe. At this time, I am debating in the House today, we don't have enough information on the project to have another view of the impact of the design of the project. No concept papers have been introduced in this House despite the PNQ by the former Leader of the Opposition and the current Leader of Opposition. There have been unclear answers by the concerned Minister. But in the head and the minds of all Mauritians, this project is not a transparent one and may hide unwanted or wanted extra costs. To take a bus from Port Louis to Curepipe, right now it takes approximately 45 minutes in peak time. If there is no traffic jam, the journey can last about 20 minutes.

**The Deputy Prime Minister:** Mr Deputy Speaker, Sir, on a point of order.

**Mr Armance:** The Minister....

**The Deputy Prime Minister:** May I rise on a point of order. We are not debating the Metro Express. We are not debating what *tracé*, all the points which the hon. Member is raising. We are debating only one very narrow point, whether it is warranted or whether it should be allowed that it be exempted from the EIA under the Fifth Schedule of the EPA. So,

we should not go into the merits and demerits of the Metro Express or else we will debate until tomorrow morning and even tomorrow night!

**The Deputy Speaker:** I take note, hon. Deputy Prime Minister. Hon. Armance, I have given you some leeway. Please come to the crux of your motion.

**Mr Armance:** On a point of clarification, Mr Deputy Speaker, Sir. I wanted to demonstrate how the EIA which also includes the social aspect of life of Mauritians is being affected....

*(Interruptions)*

So, I was just saying that in the last PNQ, the hon. Minister announced the trip from Curepipe to Port Louis is about 43 minutes, including 19 stops and 19 stations. Mr Deputy Speaker, Sir, if the Metro takes two minutes at each station, there will be about 40 minutes uploading and unloading of passengers only. I wonder if in three minutes, it will be enough to reach Port Louis based on simple mathematics or else we have to call the project the 'Magic Express'.

Mr Deputy Speaker, Sir, it is only with a proper assessment, proper information that Mauritians will have answers to our numerous questions on this project. We are now in the dark. We don't know anything about the project and this project is involving money from the taxpayers from India and Mauritius, and we believe that we need some more transparency on this project.

*(Interruptions)*

Let us not forget the workers of the bus industry.

*(Interruptions)*

There have been several meetings....

*(Interruptions)*

**The Deputy Speaker:** Hon. Armance...

*(Interruptions)*

I have allowed some leeway. Please, come to the crux of the motion!

**Mr Armance:** Mr Deputy Speaker, Sir, I am trying...

**The Deputy Prime Minister:** On a point of order. Is the hon. Member allowed to just read from a script? He doesn't know his Standing Orders. He is reading from a script prepared from I don't know whom on a completely irrelevant matter, and we are going to suffer that in silence!

**The Deputy Speaker:** You have made your point!

*(Interruptions)*

Hon. Armance, please come to the point!

**Mr Armance:** I was talking about the workers.

*(Interruptions)*

Mr Deputy Speaker, Sir....

*(Interruptions)*

**The Deputy Speaker:** Hon. Armance!

*(Interruptions)*

I am on my feet! Hon. Armance, please come to the point about GN 40 of 2017!

*(Interruptions)*

**Mr Armance:** Mr Deputy Speaker, Sir, I just want to come again on a point of clarification. I am trying to show how the non-respect of an EIA assessment is going to affect the workers...

*(Interruptions)*

**The Deputy Speaker:** Hon. Armance, we are in a motion of disallowance about this particular Regulation. So, please try to restrict yourself to the motion!

**Mr Armance:** Mr Deputy Speaker, Sir, this Metro Express project remains a major infrastructural project and has now attracted several comments from the public at large regarding the efficiency and visibility of the project on our island. Consequently, I believe that there should be public participation right at the beginning of the project. An EIA assessment gives the chance to the public at large to give their views and comments as per section 20 of the Environment Protection Act 2002. I humbly request the hon. Minister concerned if he can take into consideration my request to have a public consultation and he

will see by himself what the public think of the project. They are going to be shocked. I will give you a simple example, Mr Deputy Speaker, Sir.

On the day of the last PNQ on the Metro Express, the hon. Minister of MPI stated that Camp Chapelon football ground will not be used for the Metro Express Project. But on the same day, the Municipality of Port Louis started the demolition of the football ground and the Lord Mayor seems not to be aware of what was going on.

**The Deputy Speaker:** Hon. Armance, I will now invite you to resume your seat!

*(Interruptions)*

Hon. Rutnah!

*(Interruptions)*

Hon. Adrien Duval, I am on my feet!

*(Interruptions)*

Hon. Henry! Hon. Armance, I am reminding you again, your motion should be restricted on GN 40 of 2017.

*(Interruptions)*

I have given you some leeway! If you want to continue, please restrict your motion to the point!

**Mr Armance:** Mr Deputy Speaker, Sir, the EIA also includes the social aspect of this project.

*(Interruptions)*

Please, give me one minute! What I am trying to explain now is the way people's life is going to change. When I am talking about the football ground at Champ Chapelon; this is a very important...

**The Deputy Speaker:** Hon. Armance, have you had a look at GN 40 of 2017! There are three sections in it. So, come to the point!

*(Interruptions)*

**Mr Armance:** Let us now resume on another region on my Constituency which is La Butte...

*(Interruptions)*

**The Deputy Speaker:** The hon. Member must address exemption on either the highway and mass transit system or on the housing projects and apartments.

*(Interruptions)*

**Mr A. Duval:** On a point of order. The hon. Deputy Prime Minister has given his view. There was no ruling on it. We are having a motion today - May I please take my point of order! Whether the motion to disallow GN....

*(Interruptions)*

May I take the point of order!

**The Deputy Speaker:** Hon. Adrien Duval, I have taken note of your point of order!

*(Interruptions)*

Allow, hon. Armance to resume his speech!

*(Interruptions)*

I have taken note of your point, hon. Duval! Allow, hon. Armance to resume!

**Mr A. Duval:** My point of order is: he is bringing a motion of disallowance on Government Notice to unlist the Metro Express from EIA requirements.

*(Interruptions)*

Hon. Deputy Speaker, let me finish my point of order!

**The Deputy Speaker:** I have taken note, hon. Duval!

*(Interruptions)*

Hon. Duval, I have taken note!

*(Interruptions)*

Please, now allow hon. Armance to resume!

*(Interruptions)*

Hon. Lepoigneur, allow hon. Armance to resume!

**Mr Armance:** Mr Deputy Speaker, I just want to quote from this document, section 3 of the EIA –

“It includes the socioeconomic analysis of a project effect and impact.”

*(Interruptions)*

**The Deputy Speaker:** Order!

**Mr Armance:** I want to state that the people living in the region of La Butte received the Eviction Order to leave their property within one month. Can we now imagine the stress these people have! In Cité Richelieu, no one is aware how life will be after the implementation of the project. It has been reported in the press that there will be the control centre of the Metro Express at Richelieu. Will there be compulsory acquisition again there? Imagine the noise pollution when the train will vehiculate the whole day at the control centre! Why have they chosen Richelieu? This morning, we heard about the central part of Mauritius. Why is not the control centre in Ebene, where there are more buildings rather than houses?

In Richelieu, all these houses have been built since very long and they are not structurally made to resist vibration that will be caused by the Metro Express Project and the train. So, I would ask the hon. Minister to please review this, because the houses cannot resist this vibration. It is not only in my constituency that this problem is going to happen. I have a long list of all the places that are going to change -

- (a) Promenade Roland Armand in Quatre Bornes;
- (b) The Belle Rose fair;
- (c) Promenade Vandermeersch, which is a landmark in Rose Hill;
- (d) The basketball field in Barkly;
- (e) The stadium of Camp Chapelon.

And this is only an indication, Mr Deputy Speaker. We don't have the real list of compulsory acquisition on this project. I said it earlier. We are in the dark. We don't know exactly where the train will cross from Port Louis to Curepipe, except this schematic design that is in the newspaper, because we do not have any indication, any information from the concerned Ministers.

The Government, Mr Deputy Speaker, is selling a dream to the people of Mauritius, but at the end of the day, this dream is going to turn into a nightmare because, unfortunately, some impact will be permanent and will change the image of our country and this will have a negative output at international level as well.

Mr Deputy Speaker, Sir, it has come to my attention in the answer of the Minister during the PNQ, and also reported in the press, of the employment of an environmental consultant by the contractor for the Metro Express Project. Again, *on est en train de*

*réinventer la roue*. How can you be the contractor and employ your own consultant to assess your work? It is judge and party, Mr Deputy Speaker, Sir. This, to my opinion, is not correct. It is ridiculous for me. We need a full-fledged EIA on this project as well as an external consultant from conception stage to implementation stage, as well as ten years follow-up on the matter after completion of the project.

The Ministry of Environment should play a vital role in the EIA review and the implementation of the EIA report. Each and every measure and recommendation must be taken care as a matter of national interest to preserve the country from the adverse impact of the Metro project.

Mr Deputy Speaker, Sir, I am, today, making an appeal to the Government not to sell dreams to Mauritians. Time will give me reason that I was right in saying that we need the EIA review on this project.

In other countries like India, for example, in 2016, there has been a legal ruling from the National Green Tribunal to give instructions to the Government of India to conduct an EIA on the Metro project in Naheda. Similarly, in Singapore, there has been an Environmental Impact Study on the new Cross Island MRT in 2014. I note that both India and Singapore are involved on our Metro Express Project, and the EIA must be mandatory on this project.

To conclude, Mr Deputy Speaker, Sir, let me quote what our then Minister of Health, hon. Gayan, stated in the debate on the Budget. I quote –

“We are now going to make sure that whatever project, whether it is the oil refinery or any other project, we will take into account everything having to do with the environment because the environment is vital to the Ministry which I have, the Ministry of Health. If the environment gets sick, people will get sick. So, it is in our interest to ensure, as a Government, and as a Minister of Health, that we have taken all measures, precautions to avoid any damage to our environment.”

In the same line, Minister Alain Wong Yen Cheong, then Minister of Environment, in the World Environmental Day 2016, stated –

“Last but not least, my Ministry has been using Environment Impact Assessment as a tool for ensuring development control for a long time now. Our aim is to ensure the strict protection of environmentally sensitive areas.”

Mr Deputy Speaker, Sir, my conclusion on the motion today is that this project cannot be implemented if it does not go through the proper channel of a complete assessment of biophysical, economic and socioeconomic consequences. In the *discours-programme*, the then President of the Republic stated at paragraph 257, and I quote –

“Nationwide

[...] referendums will be held on matters of utmost importance and relating to public interest as well as on critical amendments pertaining to our sovereignty or Constitution.”

And paragraph 262 also states –

“Live public debates and telecasts on topical issues and matters relating to public interest will be encouraged.”

Mr Deputy Speaker, Sir, I am today making an appeal to the Prime Minister of Mauritius that he applies what has been mentioned in the programme and that he immediately calls for a referendum regarding the Metro Express project. This will enable the public at large to choose the transport system that will be of more benefit to Mauritius and decide on the way forward. If the Government is convinced that the project is feasible, if the Government believes in the Metro Express project, there is no reason to fear a referendum.

Having said so, Mr Deputy Speaker, Sir, I maintain that G.N. No. 40 of 2017 should be disallowed.

Thank you.

**The Deputy Speaker:** Hon. Rutnah!

(11.55 p.m.)

**Mr S. Rutnah (Third Member for Piton & Rivière du Rempart):** Thank you, Mr Deputy Speaker, Sir. After having listened to the script read by hon. Armance, the First Member of Port Louis Maritime and Port Louis East, I am completely confabulated, confused, and I don’t really know what message he wanted to send to the people of Mauritius who are watching this debate at home, because this motion is so frivolous in its nature, the motion is so contrived that, really speaking, it does not hold water. This motion ought to have been specifically on the point that he has put in his motion in relation to the EIA, but eventually, we heard a lot about Metro Express. So, now...



*(Interruptions)*

If I can be allowed...

*(Interruptions)*

**The Deputy Speaker:** Order!

**Mr Rutnah:** It's okay! The people are watching from home the way the hon. Members of the PMSD are behaving here. So, it's okay!

*(Interruptions)*

**Mr Rutnah:** Which party are you? Are you MMM? Are you Labour Party?

**The Deputy Speaker:** Hon. Rutnah, please address the Chair!

*(Interruptions)*

**Mr Rutnah:** But, I am sure! Look at hon. Members from the MMM party, they are attentive! People are watching them. But, look at their behaviour! Despicable behaviour, Mr Deputy Speaker, Sir!

*(Interruptions)*

**The Deputy Speaker:** Order!

**Mr Rutnah:** Mr Deputy Speaker, Sir, just like the PMSD were against the independence of Mauritius, just like they were against the Ebene City Project, against the Prosecution Commission and now against the Metro Express.

*(Interruptions)*

**The Deputy Speaker:** Order !

**Mr A. Duval:** A point of order! I assume the Deputy Speaker to rule whatever the hon. Member has said out of order. He is imputing motives on Members of the PMSD and he is making unwarranted and very, very dangerous accusations right here.

*(Interruptions)*

**The Deputy Speaker:** I have taken note of the hon. Member's point. Hon. Rutnah, please, come to the motion!

*(Interruptions)*

**Mr Rutnah:** I am coming to the motion. And facts remains facts, the PMSD party were against the independence, they were against the building of the Cyber City, they were against the Prosecution Commission and, today, they are against the Metro Express! This is what the PMSD stands for in the country!

*(Interruptions)*

**The Deputy Speaker:** Order! Order!

**Mr Rutnah:** Mr Deputy Speaker, Sir, in relation to all that has been said about all kinds of pollution, let me...

*(Interruptions)*

**The Deputy Speaker:** Hon. Adrien Duval!

**Mr Rutnah:** Let me remind hon. Armance that the same principle that we are applying today in relation to Metro Express, the same principle was applied in relation to the building of the Airports of Mauritius. The same principle was applied to the Bagatelle Dam project, same principle was applied to the Terre Rouge-Verdun project. And who was then in Government? Who was the Finance Minister? Even the former Mauritius light rail transit project was also exempted from the EIA. And the former light rail project was exempted, why? Because they contended that it is a public body but, in fact, it was so opaque that as at today's date, we don't know whether it was really a company or a State-owned company, whether it was really allowed to be subjected to exemption from EIA. But what we have done? We have delisted this company for the reasons quite clearly. On 28 March, there were lots of things said by the hon. Leader of Opposition in his PNQ to hon. Minister Bodha. I am not going to be very long. But listen to what hon. Minister Bodha said about the pollution, about all sorts of arguments that hon. Armance tried to raise today. And if you had listened to what hon. Bodha said, you would have no qualms about any project. Amongst other things, he said the following -

“I would like to reassure the House that all the standards, criteria, and provisions of the law relating to the environment shall be adhered to ..”

Shall be adhered to, and it is in Hansard!

“With the exception of the procedures, all other EIA requirements...”

All! The operative words are ‘all other EIA requirements’!

“...will be followed as the project will need to be environmentally friendly. In this context, the Design and Construct Contractor will be required to submit an Environmental Management Plan which will be monitored closely by the Authorities.”

So, as a Government, we are not going to give a blank cheque to anyone to come and destroy our ecological system, our nature, our environmental friendly atmosphere where the rail is going to pass.

Now, dealing with one point, the hon. Member said we don't know where trains will cross in Port Louis, that there is no information about that. Now, if hon. Armanance will take a copy of this, called G-News, *projets et développements* ...

*(Interruptions)*

You may call it whatever you want, but it is entitled G-News, provided that the message pass on, whether you call it Veeramoundar or you call it any Moundar or whatever!

But look at what it says : L'île Maurice de demain entre en chantier. Le budget 2016/17 visait à faire entrer Maurice dans une nouvelle aire de développement. Maillon clef d'un système de transport intégré, moteur de croissance et créateur d'emplois, le métro express désormais sur les rails et la locomotive qui tirera l'ensemble du pays vers la modernisation.

And don't tell me today, you are against modernisation of this country because if you are, you have to make it clear that you are against and no bads and no ifs, no condition about it! That's what the people of Mauritius today want to hear from those who, for various reasons, including political reasons try to bring all sorts of motion just to kill time. Because today if we would not have had this kind of frivolous motion we would have ended with the Bill on the Land Drainage Authority and we would have been passing laws.

*(Interruptions)*

**The Deputy Speaker:** Hon. Rutnah, I would invite you not to go overboard.

*(Interruptions)*

**Mr Rutnah:** Mr Deputy Speaker, Sir, I think those who think I should not say 'frivolous' should go and try to look for its definition in a dictionary. But before I end, I am about to end, because after I refer everybody to the answers that hon. Minister Bodha gave in all his experience and wisdom, I rest the case that this motion should be disallowed in toto.

Thank you, Mr Deputy Speaker, Sir.

**The Deputy Speaker:** Hon. Bhagwan.!

**Mr R. Bhagwan (First Member for Beau Basin & Petite Rivière):** Mr Deputy Speaker, Sir, I won't be very long at this very late hour.

Mr Deputy Speaker, Sir, the debate and the vote under this Motion of Disallowance shall be a litmus test for all those sitting in this House, on whichever sides we are, in regard to our real commitment in favour of transparency and for the preservation of the quality of life of the present generation as well as that of the future generation, because we are talking about a big project.

Mr Deputy Speaker, Sir, it shall be a litmus test for all of us with regard to our support in favour of sustainable development and we will see at the end who are those who are for.

Mr Deputy Speaker, Sir, at the very outset, I must stress on the facts that our remarks on this side of the House, must not and should not be interpreted as *mett baton dan la roue, tactiques* or worst still. On the contrary, we should be thankful to the Government and the people of India for the huge financial support in connection with this particular project as well as other projects in the past.

Having said that, Mr Deputy Speaker, Sir, I must, for the benefit of the House, remind everybody in the House, as an introductory remark, of the importance of carrying out EIAs. An Environmental Impact Assessment is a process of evaluating the likely environmental impacts of a proposed project or development taking into account interrelated socioeconomic, cultural and human health impacts both beneficial and adverse.

The United Nations Environment Programme (UNEP) defines Environmental Impact Assessment as a tool used to identify the environmental, social and economic impacts of a project prior to decision-making. It aims at –

- predicting environmental impacts at an early stage in project planning and design;
- finding ways and means to reduce adverse impacts;
- shaping projects to suit the local environment, and

- presenting the predictions and options to decision-makers, especially to Government and Ministers, in general.

By using EIA, both environmental and economic benefits can be achieved such as reduced costs and time of project implementation and design, avoided treatment or clean-up costs, and impacts of laws and regulations.

Although legislation and practice vary around the world, the fundamental components of an EIA would necessarily involve the following stages –

- screening to determine which projects or developments require a full or partial impact assessment study;
- scoping of the project to see the impacts of the projects on biodiversity, finding alternative designs or sites which avoid the impacts and incorporating safeguards in the design of the project or providing compensation for adverse impacts, and, finally,
- to derive terms of reference for impact assessment;
- assessment and evaluation of impacts and development of alternatives;
- reporting the environmental impact statements, and also
- the review of the environmental impact statement and public participation.

Mr Deputy Speaker, Sir, public participation in the review is a very crucial stage of the process. If we want to uphold the principle of subsidiarity, we need to encourage the public to participate in the process. We should never miss an opportunity to take a decision at the lowest possible level and to enhance public participation in the process.

I still remember, Mr Deputy Speaker, Sir, as the then Minister of Environment during the Government mandate of 2000-2005, we ensured then that the EIA Report was available for public consultation in local authorities where the undertaking was to be carried out and as well as online. That was a *grande première* for the first time in Mauritius.

We also did decision-making process on whether to approve the project or not and under what conditions. More specifically, Mr Deputy Speaker, Sir, there is need for monitoring, compliance and for enforcement and environmental auditing.

Our Environment Protection Act, Mr Deputy Speaker, Sir, does provide for this process for specific activities as listed in Part B of the Fifth Schedule of the Act. There are 46 listed undertakings which require an EIA and just to name a few –

- creation of bathing areas by mechanical means;
- galvanising industry;
- manufacture of plastics and plastic products;
- quarantine station for livestock;
- golf course;
- harbour dredging operation, and
- construction and development of hotels for integrated resort scheme.

Mr Deputy Speaker, Sir, we all realise because of the complexity of these undertakings, all authorities have to be fully aware of their potential impacts prior to decision-making. But we have to admit that there are cases where because of urgency and for projects of national interest, the process may be quite long and our Environment Protection Act already provides exemption in specific cases. May I refer to section 28 of the Act; Exemption –

- “(1) The Minister may declare an undertaking (...) by a public department, which, in his opinion, is urgently needed in the national interest or for the economic development of Mauritius, to be an exempt undertaking.”

Specified in Part B of the First Schedule.

- “(2) The EIA of an exempt undertaking shall be submitted to the Director, who after examination, shall refer it, together with any public comments received, to the EIA Committee for any comments or recommendations.
- (3) The EIA Committee shall refer an EIA in respect of an exempt undertaking, together with its comments and observations to the Minister for his decision.
- (4) The Minister may approve the EIA on such conditions as he thinks fit, having regard to the matters specified in section 24.
- (5) Where the Minister approves an EIA under subsection (4), the Director shall cause a notice to be published in the Gazette and in 2 daily newspapers stating –
- (a) a summary description of the undertaking and its location;

- (b) the proponent of the undertaking;
- (c) a declaration that the undertaking is an exempt undertaking;
- (d) the approval of the EIA and the conditions attached to the approval.”

I had the opportunity of approving several of the recommendations of the EIA Committee then when I was Minister.

I wish, Mr Deputy Speaker, Sir, to highlight one important point. Previously, no EIA was required for an exempt undertaking. When we proposed a new Environment Protection Act in 2002 during the then Government of the MSM/MMM, we insisted that EIAs had to be carried out even for an exempt undertaking, for the sake of transparency and for sound environmental governance. Public bodies need to set the right example.

Mr Deputy Speaker, Sir, I have tried to set the scene so as to put the Regulation G. N. No. 40 in the right context. Among the listed activities in part (b) of the Fifth Schedule, there is highway and mass transit system. What did this Government choose to do? Go through the whole process of EIA? No! Make use of section 28 for an exempt undertaking? Again, no! Against basic common sense Government, through the Ministry of Environment, decided to make use of the EPA which empowers him to make regulations.

In section 96 - Regulations, I quote, Mr Deputy Speaker, Sir –

- “(1) The Minister may, for the purposes of this Act, make such regulations as he thinks fit.
- (2) Any regulations made under subsection (1) may provide –
  - (a) subject to this Act, for the amendment of a Schedule (...).”

And, what does the hon. Minister think fit? Mr Deputy Speaker, Sir, *ce qu'on a vu est du jamais vu!* Simply to delist undertakings from the Schedule *d'un trait de plume. Plus arbitraire que cela, tu meurs!* Comment qualifier cette posture, Mr Deputy Speaker, Sir? *Grossière et surtout dépourvue de sens élémentaire de justice environnementale mais triste pour le pays et ces citoyens.*

If only the hon. Minister and those who advised him had taken the time to read and try to understand section 2 of the Environment Protection Act! What does section 2 say, Mr Deputy Speaker, Sir? It talks about –

“Environmental stewardship –

It is declared that every person in Mauritius shall use his best endeavours to preserve and enhance the quality of life by caring responsibly for the natural environment of Mauritius.”

I am of the opinion, Mr Deputy Speaker, Sir, that the Minister has made a misuse of section 96 and this Regulation does not respect the spirit of the Environment Protection Act. The power to make regulations is not, in a way, a blank cheque given to a Minister, it should not be used indiscriminately.

Mr Deputy Speaker, Sir, the mass transit system to be implemented is the biggest and costliest public infrastructure that Mauritius will implement. Can we afford to do it in such an amateurism manner against a minimum basic common sense? Since the project has been officially launched, everybody heard the amount spent for the opening ceremony, for the launching of the project, Rs7 m.

We all have heard the adverse comments, since the project has been launched, voiced out by Government, by the Minister of Public Infrastructure, by the Prime Minister, by Mr V News. We have heard the adverse comments voiced out by stakeholders, opinion leaders and the civil society at large. The main reason is because there is a total lack of transparency in the decision-making process as well as a complete absence of consultation with stakeholders and public participation in the process. The only question indeed, Mr Deputy Speaker, we have to ask ourselves and also the population is asking itself, is why Government has so decided? Why has Government decided to take a hammer to kill a fly and who took that decision? Mr Deputy Speaker, the first thing that comes to my mind is that probably a genuine EIA report would have quashed many statements made so far by Government and certain Ministers; be it in terms of justifications, alternative solutions, feasibility and impact. And most probably Government does have all the answers still and intends to make shift compromises. Above all, it is clear that Government fears a transparent and democratic public debate on the issue. The elimination of an EIA process, Mr Deputy Speaker, will also provide Government with a convenient *porte de sortie* should there be any cost overrun or unexpected hurdle ahead.

Rather than facing political opponents, stakeholders, NGOs and the civil society, Government has embarked on a long hiding expedition. It is not this paper of – I’ll call it - Mr Veeramoondhur. He is the *rédacteur en chef*. It is not that paper which will convince people. It is the way Government goes toward explaining the population the project. I will take only one example where I reside, we have this promenade Roland Armand. Everybody is worried



what will happen? It has cost nearly 15 years to have this *promenade*. I am sure Government will come up with some plan to remove the trees and so on, but people are worried because they are not aware! Nothing has been said! This morning, I was queried by the taxi owners of Beau Bassin as their MP as well with my colleague and other colleagues – ‘*be kot nou pou aller*’? The Minister has spoken in general. In Cite Barkly, we are being asked where would our *jardin d’enfants*, our youth centre or whatever go. Even Rose-Hill, Arab Town! You know, I was the one who conceived Arab Town in 1984 and even had the opening of that fair. People are worried because they are earning their living. The Mayor of Rose-Hill, himself, will not be able to give enough explanations - the funding of a new fair. Where would it go? Accessibility! The buses! So this is where Government has failed in explaining the population especially to the civil society.

Mr Deputy Speaker, Government has missed a golden opportunity to market this project; to enhance the public participation which would have resulted into a public ownership of the project and this is not the case. The Mauritian population, if you ask me, from Curepipe down to Port Louis, does not accept this project; the way Government is presenting this project. The EIA process, Mr Deputy Speaker, Sir, is not an option for Government. A Government to a still lesser extent, the incumbent Minister cannot unilaterally decide to set aside the democratic process. We are bound by international multi-lateral agreements, I know Mr Deputy Speaker, Sir. I have been Minister and I know.

Mauritius, we are bound by the Rio Declaration, Principle 17. We are party to the Rio Convention. An environmental impact assessment, as a national instrument, shall be undertaken for proposed activities that are likely to have a significant adverse impact on the environment and are subject to a decision of a competent national authority. This is about the Rio declaration.

We have the Rio+20, the future reward; we have the CBD 1992 which says –

**‘Article 14. Impact Assessment and Minimizing Adverse Impacts**

1. Each Contracting Party, as far as possible and as appropriate, shall -
  - (a) Introduce appropriate procedures requiring environmental impact assessment of its proposed projects that are likely to have significant adverse effects on biological diversity with a view to avoiding or minimizing such effects and, where appropriate, allow for public participation in such procedures;(…)

We have also Mr Deputy Speaker, Sir, the UNFCCC, the Convention of Climate Change of 1992 –

**‘Article 4 - COMMITMENTS**

1. All Parties, taking into account their common but differentiated responsibilities and their specific national and regional development priorities, objectives and circumstances, shall -
  - (f) Take climate change considerations into account, to the extent feasible, in their relevant social, economic and environmental policies and actions, and employ appropriate methods, for example, impact assessments, formulated and determined nationally, with a view to minimizing adverse effects on the economy, on public health and on the quality of the environment, of projects or measures undertaken by them to mitigate or adapt to climate change;(…)

Mr Deputy Speaker, Sir, I do not think the Government of India or even our consultant from Singapore and prospective funding agencies will condone such a departure from established international practice. I have met also officials from the Government of India. Many of them are in the dark of our regulations, our legislation.

To conclude, Mr Deputy Speaker, Sir, I must say that this project has had a very bad start, as I have said before. The Minister of Public Infrastructure and others will probably come and say that an EIA will be carried out in due course. Already stated! Let me just remind him that the United Nations Environment Programme, UNEP - our good friend was once consultant at UNEP now Minister of Environment - defines environmental impact assessment as a tool used to identify the environmental social and economic impact of a project prior to decision taking. I am insisting on this ‘prior to decision making’. And this process has to be carried out under the aegis of the department of environment with, at the Head, the Director of Environment and the Chairperson. We have an EIA Committee where we have all the technicians in the EIA committee.

Mr Deputy Speaker, Sir, what do we see? A total lack of transparency in the decision-making process. There is no clear feasibility study! We still have not had copy of the final feasibility study. It should have been laid down in the Assembly of Singapore. The Minister promised a consultant. No assessment on the social and environmental impacts. No consultation with stakeholders and no public participation. Delisting from the list of

scheduled undertakings in violation - this what we are doing. This is what Government is doing. Delisting from the list of scheduled undertakings in violation with international multi-lateral environmental agreement to which Mauritius is a party. We have signed; we are party.

Mr Deputy Speaker, Sir, if you ask me, for me this is not the Metro Express, this is a Retro Express project! It is not a Metro Express! Whatever Government has sole majority, the legislation is there, Government is coming and delisting without any EIA. Today we have the Metro Express or Retro Express project, tomorrow we will have another project where Government says there is no need for dredging. Although I recognise that it is a project of national importance.

I have been dealing with that as Minister of Environment in the past. Housing projects! We have many other projects funded by the State, even energy project, but there have been preparation of EIA and public consultations. This is where we disagree with Government and we support the motion of our colleague.

Thank you.

**The Deputy Speaker:** Hon. Bodha!

(00.27 a.m.)

**The Minister of Public Infrastructure and Land Transport (Mr N. Bodha):** M. le président, je vais commencer par dire que nous aimons ce pays et nous allons mener ce projet à bon port.

A lot has been said about transparency, opacity and about a number of things which have not been disseminated. I explained, in the first PNQ to the hon. Leader of the Opposition, that we are in a bidding process and as soon as the bidding process is over, we are going to give all the information, all the feasibility reports and whatever is needed for everybody to understand why we are doing this project.

Mr Deputy Speaker, Sir, today in the afternoon, there was a question on the IRR and the economic benefits. What was the purpose of the question? The purpose of the question was to challenge the financials of what we were doing and the decisions we have taken. Today, we explained why and how we are doing it. We have explained that economically and financially we are not taking this country to the doomed days where we are going to put a huge debt on the country.

There have been a number of other issues which have been raised, for example, about workers in the bus industry. How many times I have given the assurance officially and in Parliament, but people are still continuing to say that there is going to be a social impact as regards employment. Then, we have the issue of those whose land have been compulsorily acquired. But this dates back to 2012. The hon. Vice-Prime Minister gave a list of all those whose property have been acquired compulsorily since 2012. I also explained that there were about 30 families. I also explained that there was a Committee and the Committee has sat. They have already met the 30 people on a case to case basis. There were a number of structures and a number of public areas which are to be affected. I said, again, that for each and every structure, physical or environmental space which is going to be affected, we are going to redo it better.

As regards the urban terminal, I explained again that all the problems in the City Centre can be solved by the urban terminal. But we continue to face this criticism of opacity and transparency that we are doing something for ourselves. It's a dream we are selling to people.

We come now to the environment. Hon. Rutnah mentioned what I have said last time in the PNQ. Mr Deputy Speaker, Sir, this project is very important for us as regards to raise Mauritius from one level of development to another. It is going to take four years. It is going to cost around Rs17 to Rs18 billion. It will have a spinoff on of the economy. We know what the public transport is today. Everybody knows what the public transport is today. And everybody knows that we are spending Rs2 billion and what we are getting. Everybody knows what the Metro Express is.

Mr Deputy Speaker, Sir, let us carefully look at the decision of this Government to delist the Metro Express from the schedule. The intention to delist is not to compromise with the environmental impacts, but instead not to jeopardise the timely implementation. The rationale behind delisting lies in its urgency in terms of national, economic and social spinoffs. We want this project to start. This project has been around with us for a number of years now. We want that there celerity and no delay in implementation resulting in additional costs which can jeopardise the feasibility of the study.

Mr Deputy Speaker, Sir, to come to environment, we all know that the traffic congestion is costing us today Rs4 billion and if we don't do anything, it will cost us, in 12 to 13 years - in 2030, Rs10 billion, Mr Deputy Speaker, Sir. In the request for proposal which

we have given to the two bidders, we have a strict commitment as regards the environmental management system to be imposed on the two bidders. They have to develop, implement, maintain and comply with a project's specific environmental management system which is in accordance with ISO 14000 for the duration of the contract. They have to ensure that the environmental management system provides a framework for a practical and compliant design and construct environmental management plan. They have to employ a suitably qualified and experienced Environmental Manager and to comply with the law and exhibit international environmental due diligence at all times. They have to outline the regulatory framework under which the works activity will be undertaken, including a list of required environmental approvals. The contractor must address issues as complicated as surface water and ground water management. I am giving just a few examples -

- detail a surface water quality monitoring programme;
- address the issue of erosion and sediment control;
- terrestrial and aquatic ecological protection;
- contaminated land management at a minimum;
- acid sulphate soil management, noise and vibration attenuation management plan;
- air quality control management plan;
- cultural heritage management plan;
- chemicals, fuels, hazardous materials management plan;
- waste management plan, and also
- of course, the sustainability plan must address social wellbeing as identified in the social impact management plan which has been set up in an annexure.

This has been imposed on the two bidders so that they come with a proper environment management plan. However, the debate which is happening here took place also in Government and Government has decided to make assurance double sure. This is why despite the project being delisted, Government has decided that Metro Express Ltd. should submit a detailed EIA report by reason of the nature, scale and scope of this project.

So, we will have an EIA report done for Government to be able to benchmark what are the measures that are going to be proposed by the contractor. The EIA study will address

the potential environmental impacts and propose mitigating measures. All national environmental standards, policies, guidelines, provisions of the law relating to the environment will have to be complied with.

Furthermore, in specific cases where there are no national standards, for example, for vibration, we are going to apply EU standards. The EIA study will also establish the baseline for future monitoring of the impacts associated with the project and monitoring, Mr Deputy Speaker, will focus to check whether the mitigation measures are effective and to provide corrective measures to unexpected environmental impacts.

Moreover, the EIA mechanism will provide for environmental stewardship, what the hon. Bhagwan was saying and greater transparency in terms of offsetting potential environmental impacts and safeguarding our environmental assets. We also love this country. I was the Minister of Tourism, I know the value of the bio-diversity, how beautiful Mauritius is. For example, each tree felled within the alignment of this buzzer zone will have to be compensated by at least three trees.

Mr Deputy Speaker, the avenue Roland Armand, I mentioned this I understand it, but to some extent there will be some environmental mitigation measures. To take that specific site of Roland Armand, the metro is going to be on the right, the trees on the left, we'll do what we can as regards the felling, but we are proposing to have a park between Rose-Hill and Ebène, we should do better, we should correct, what can be corrected today. Everywhere that some sort of impact is done, the metro project should be able to make it better. We should give ourselves the means and the ambitions and the will to make it better.

The EIA Study will be submitted for consideration and advice to the department of environment and we would like the population to share the vision that we have and I have said I am giving the assurance, I mentioned it to the Prime Minister. We mentioned that we spent Rs7 m. for the metro space launch, but the launch was done. That was a ceremony and the launch has given us three tools to sensitise and to promote the metro express. We have a film, a video of what was the rail network in the 60's.

We had a virtual impression of travelling in the metro, we have had a drone video over the whole alignment and I have proposed the Prime Minister that the stone building where the project was launched that stone building be renovated and becomes the metro express headquarters. And all the available information with all the individual plots from Curepipe to Rose-Hill will be laid bare there. And everybody can come and see for each plot

where the alignment is, we have not yet designed, it is being designed that's the bid to design and build, design and construct.

So, we are going to use all the information because we want people to have the sense of belonging as regards this project because it is the most ambitious one and we have the political will, we love this country enough to have it done at a financially acceptable price. We are keeping the fare as it is and we are integrating all the buses. I said you can't come out with a 5 star train and go in a *kachak charlie* bus. This is all that we are doing. Arab town will be integrated in the terminal, but 1200 hawkers of Port Louis are going to be in the Victoria terminal. So, this is all that we are doing and I don't think we want to destroy any environmentally sensitive area.

This is our pledge today, that's why in spite of a very strict obligation imposed on the constructor, on the bidder or the one who is going to be awarded the contract, we have come for our own, for Government to be able to see to it that we have the best benchmark and I said, for example, for a vibration, we are going to use the EU standard. And let me tell you something else, Mr Deputy Speaker, we have been working with the Delhi Metro which has received the ISO 14,000, the one that we are wanting to and the Delhi Metro is the first railway system in the world to receive carbon credits for regenerating braking systems.

We can, in fact, obtain financial funds with the carbon credits and we are talking to Delhi Metro to manage the system. So, we will talk to Delhi Metro to see to it that what they have done there as regards carbon emission should be done here. This is what we are going to do, we are not doing it just for the sake of doing it and I said, there are some environmentally sensitive areas and we will care for them. I understand the plight of a number of families who fall on the alignment and we had a study. We have met them and there are 20 cases. We have the social cases, I think we won't have any problem and there are four cases where the families are really emotionally involved as they don't want to leave.

So, we'll have to see how to be able to address these issues. What I wanted to assure the House today is that in a few weeks, I think, the two bidders are supposed to make their offers on 19 May and we'll take four to five weeks for the contract to be awarded. We will come with all the information. Today I gave all the information as regards the IRR and this comes from the feasibility study of 2013 which was approved by then Government. The hon. Leader of the Opposition based himself in November 2013 to put this project in his Budget because the report came on October 2013.

We don't want to destroy Mauritius, we are seen as a bulldozer, bulldozing through Curepipe to Port Louis and destroying everything because we want to have some sort of a political agenda. We want to make this country more beautiful, more sophisticated. We want to provide our people with a mass transit system and an urban planning, remodelling, redesigning. This is what we want to do and we want to do it with the people. The workers, the trade unions came to me, they have written to me to say: 'listen we would like to know what is happening because we are in the dark'. I have talked to them. Tomorrow, when we know exactly that's the budget, how we are going to do it, it is going to be precise then we'll have to meet everybody. I have had a meeting with the hon. Deputy Prime Minister on the urban terminal of Rose-hill. We are coming with a concept and we will present it to everybody. I have been working on the urban terminal of Curepipe since one year. I have been working on the urban terminal, the hon. Duval knows this, hon. Sewocksingh knows this. I have been working with the urban terminal of Port Louis for two years, Mr Deputy Speaker, we want to come with figures, we have said that the fare will be aligned more or less with the bus fare. We have said that the train is going to take 3-4 minutes interval. Hon. Armance is saying he fails to understand how we can do the trip in 42 minutes. Let me tell him that we have 16 stations at the Gold Coast and it takes 32 minutes. He can go on YouTube and find this.

Mr Deputy Speaker, Sir, on this side of the House, we would like to say, today, as a pledge, that we want to have the best system, financially affordable and sustainable. We want to have it done environmentally friendly. We have to make Mauritius even more beautiful with the Metro, and we would like to see to it that we build something, that when we are not in this House, people will stand up and say that we did the right thing tonight.

Thank you, Mr Deputy Speaker, Sir.

(00.48 a.m.)

**The Deputy Speaker:** Hon. Adrien Duval!

**Mr A. Duval (First Member for Curepipe & Midlands):** Merci, M. le président. Laissez-moi dire dès le départ, M. le président, que le PMSD n'est pas contre le Metro Express.

*(Interruptions)*

Le PMSD n'est pas contre le Metro Express. Le PMSD est contre l'empressement et l'amateurisme dont ce projet est amené aujourd'hui. L'honorable ministre Bodha - pour lui



répondre avant que je ne rentre dans le fond de mon discours - a eu beaucoup des belles paroles, a fait beaucoup des promesses. Moi, il m'a fait rêver sur mon siège. Mais quand on pense à toutes les inconsistances qu'il y a eu dès le départ dans le projet du Metro Express, nous ne pouvons ici que lui donner le bénéfice du doute, jusqu'à preuve du contraire. Et nous espérons ! C'est dans l'intérêt de la nation que le projet du Metro Express soit implémenté correctement, qu'on ait mitigé tous les risques. Bien sûr, nous sommes là pour veiller à ce que tout soit fait correctement. Voilà le rôle d'une opposition responsable.

Le Metro Express prend une nouvelle tournure tous les jours. De jour en jour on entend un nouvel élément, une nouvelle version. Tantôt sur pilotis, tantôt sur la route, tantôt mi-pilotis mi-route. Et aujourd'hui, à force de presser le ministre Bodha de questions au Parlement, nous voyons un peu plus clair dans tout cela. Mais le projet reste toujours un projet qui est opaque. Je pense que l'opacité qui entoure le projet du Metro Express, l'empressement résume parfaitement aujourd'hui la cacophonie qui règne au sein du gouvernement.

Maintenant, pour répondre à l'honorable Rutnah, avant de commencer. *Earlier, hon. Rutnah kept barking about the previous projects.*

*(Interruptions)*

He kept dragging...

*(Interruptions)*

**The Deputy Speaker:** Order!

**Mr A. Duval:** ...about how the airport and Terre Rouge-Verdun were exempted. But what hon. Rutnah failed to say – maybe, he did not understand it. It is not surprising, in fact – is that G.N. 40 is not just like the airport or Terre Rouge-Verdun, and the hon. Minister knows about that. G.N. 40 places highway and Mass Transit System, specifically the Metro Express Limited, under part (b). But, then, at section 28 of the Act, it says that only public bodies will have to furnish the Minister with a report, with recommendations, with its findings, and that the normal procedure for determining whether the EIA is acceptable or not through the EIA Committee will be suspended and the hon. Minister shall decide in order to save time in urgent matters. But this Metro Express, being a private company, hon. Rutnah, does not fall under that requirement. There is no requirement to furnish an EIA. There is no requirement to do an EIA, and the Minister knows about that. Therefore, hon. Rutnah, as usual, has scored an own goal.

Mr Deputy Speaker, Sir, the decision to unleash Metro Express Limited from the due process of EIA licence is nothing short of scandalous. I have said it! The Light Rail Transit of Metro Express is the single most important infrastructural project, as rightly said by the hon. Minister, ever undertaken by the Government of Mauritius today. It cannot be successful, and we stress on that, if we do not tackle all the issues related to this project in a holistic manner, not the haphazard and amateurish way that it is going about. Because we have heard that the contractor will have to solicit the services of a consultant to have an EIA assessment. But the contractor cannot be judge and party to the same thing. We have to have an independent assessment. We cannot have the consultant employed, paid by the contractor, which will have to come up with the EIA. It cannot be the contractor; it cannot be judge and party to that issue. It is simple. It is plain. This implies proper consultations with all the relevant stakeholders, including the inhabitants of those regions where the LRT will operate.

Now, the hon. Deputy Prime Minister, on a point of order earlier, has said how he feels that the motion brought by hon. Armance does not, in fact, fall within G.N. 40. Let me just say that an Environmental Impact Assessment - I will explain it later - focuses on the environmental and social aspects; whether losses of jobs, losses of recreational activities, all of this falls under an EIA. It is good for him to know.

Most importantly, Mr Deputy Speaker, Sir, there will be significant environmental effects caused by this mega project. It is a must that due consideration be given to all the issues likely to arise, namely on the environmental front, on the economic feasibility, and the impact on the fabric of our society; *le patrimoine bâti et le patrimoine immatériel*. An in-depth study has to be undertaken to identify all these issues and to find solutions to remedy or at least to mitigate them. This is why we call for an independent - I stress on the word 'independent' - Environmental Impact Assessment done in due process, as we think it is *sine qua non* for the LRT to become a success or else it may well become a nightmare.

It is not new, Mr Deputy Speaker, Sir, that countries have tried to remove light rail projects from the purviews of Environmental Protection Acts, from the necessity to furnish EIA reports. It is not new! Less than two years ago, - it is good for the Minister, hon. Bodha, to know that - in Australia, the Government has decided to set up a Metro project in Melbourne. And they had decided, as the Government of Mauritius, to waive the requirement of having to furnish an EIA report. There were similar demands to do that. However, due to public pressure and public outcry, they changed their decision, and thankfully so, because 12 months later - it took only 12 months to come with an

Environmental Impact Assessment report – they came with the report. And you might ask what was the result of that! Well, they found that a major part of the rail network had to be reconfigured. They found that several mitigating measures had been identified and needed to be implemented in the light of all the issues that were encountered. This is thanks to the Environmental Impact Assessment that was carried out. Nothing short of a proper EIA can guarantee that there is due process in the setting up of the Metro Express Limited.

We live in an age - and it is good to stress on that - where we need to strike a balance, the right balance between delivering major projects and doing it the right way. And let us tackle, let us look into the environmental impact of the Metro in Mauritius.

As rightly pointed out by my friend, hon. Armance, the mover of this motion, the EIA is a study that predicts the environmental consequences of our proposed development. It looks at its social aspect, its environmental aspect and its physical aspect on property, health etc. it compares the various alternatives that the project may have and seeks to identify the best one, seeks to identify the best combination of economic and environmental cost and benefits. This is the purpose of an EIA.

When we look at the environmental consequences of the Metro Express, for example, in terms of noise and vibration impact which the hon. Minister has talked about earlier – and I am happy that he did – noise and vibration issues along the corridors are one of the major issues which may be significant during both the construction and the operational phase of the project.

During the construction, there is the use of heavy machinery; there is the use of construction equipment which causes vibrations, which causes significant increase to the ambient noise level. Vibration is generated from the construction phase, and only from the construction phase itself this may have an adverse impact, including cracks that are developed on the surrounding buildings of the localities and this can have serious implications on structural safety of these buildings.

We know now that it shall be on a road level. So, the rails shall be running on the tarmac. We need to ensure that the roads which we have today in Mauritius, or that we will have to support the rails, are roads that, in fact, are sufficiently resilient to withstand the vibrations. The Minister may know the amount of vibration that occurs from the operation of Metro Express is very significant.

The daily Metro which he has spoken about truly runs on a number of very modern technologies. In fact, they have the ballastless tracks, ballastless tracks technology. It is very technical. The rails will ensure that the tracks are virtually jointless and offer lower maintenance and higher safety and minimum vibration and greater comfort for passengers. Very important! We need to know if the Minister and if the Metro Express Ltd. will have these ballastless tracks. Vibration emanates from rail and wheel interaction and the same can be reduced by minimising surface irregularities of the rails; improving track geometry, providing elastic fastening and separation of rails. From the concrete pleat with insertion of resilient and shock absorbing pad, they also reduce the amount of vibration.

The point is, there is a technology. The technology exists everywhere and it exists especially in India. It is all, however, about getting value for money and optimising the efficiency, the comfort, the reliability, the safety and the sustainability of the project.

The hon. Minister has on many occasions reminded us, in this House and outside the House, that the Metro Express project will be substantially cheaper than the one proposed by the former Government, in fact, about Rs10 billion cheaper. He has failed, however, to explain concretely how we are getting that reduction in price. What matters to us, Mr Deputy Speaker, is that we are not cutting on quality and that we are not jeopardising quality or the price. Are we prioritising on cost rather than quality? This is the main question! But I would like perhaps for hon. Minister Sinatambou later to answer. It sure looks like this to me, Mr Deputy Speaker, Sir, especially since to know that the RLT shall not now operate on flyovers, but rather at road level. I think only part of it, very small part will be on flyovers and this may lower the safety guarantees and increase chances of structural damage to our roads and the risk of accidents. I will talk about that later.

Without an EIA study, how would we know? How would we know and how would we guarantee that the various technology being used overseas in India and elsewhere will be used here for Mauritius. Will the damping wheels, the tracks, the mass spring technology, the noise barriers and the sound absorbing cushions, the linings and the ballastless tracks and the shock absorbing pads be used in Mauritius or will we get substandard technology which will cause discomfort, higher running cost, noise pollution in highly populated areas which are adjacent to the Metro Express project? Will there be a study on the impact of vibration on the structural design of buildings in the vicinity of the Metro Express since it will be at road level? We would like to know that. Are all the buildings along its trajectory, from Curepipe to Port Louis where the Metro is supposed to operate, are they structurally equipped to sustain

the vibrations caused by the Metro and if cracks developed at a later stage, due to the complete absence of the EIA study, then who would be responsible? Will there be surveys carried out on structural condition of those buildings by engineers before the construction begins to record the existing conditions of all the potentially impacted buildings? I hope so! But, as you see, Mr Deputy Speaker, Sir, there are so many questions unanswered. We have heard the hon. Minister just before me intervening. We have not heard on how he will ensure that buildings will be able to sustain the vibrations and we will have, most importantly, not heard how these will be studied, how these will be recorded, how these will try to be mitigated.

*Knowing l'empressement de ce gouvernement à faire quelque chose de concret, je doute fort que tous les problèmes qui peuvent être associés avec le métro express ont été pensés de manière concrète et ont été réfléchis comme il le faut.*

In short, Mr Deputy Speaker, Sir, the question is: will we obtain the best technology, value for money and the best international practices? I am glad to hear that the hon. Minister will use EU standards for noise vibrations. Or, will the absence of an EIA leads us to substandard technology, bad planning and irreversible damage to our environment?

There are other issues related to air pollution, for example, to dust management, to health and safety risks which I would not go into detail and which my friend, hon. Armance, has spoken about. Let me just say however, that the city of Rose Hill is already within the 500 most polluted cities in the world. I hope that hon. Minister Bodha...

*(Interruptions)*

Well, I will table the report. It was on the newspaper and it has been done by the World Health Organisation. I will table the report.

However, my question is: are we having a coordination at the level of the Ministry of Infrastructure and the Ministry of Environment to ensure that either at construction or operating phase, there will be the most efficient and green methods used that money can buy today in the Light Railway Industry?

Let us now tackle, Mr Deputy Speaker, the socioeconomic consequences of the Metro Express. The public demonstrations presently being seen from workers of the transport industry that the owners of the houses who are being forcibly displaced for no reason, as we all know that the project is yet to start a number of years. These are exactly the results of the lack of the Environmental Impact Assessment procedure. The hurry in which this

Government is in when it comes to the Metro Express, especially since its conception phase has not even been finalised, probably won't be finalised for the next 12 months, then why is this Government prepared to sacrifice consultations with all relevant stakeholders and prepared to sacrifice the requirement for an EIA when, in fact, there is no rush?

I have spoken about Australia earlier, they had for the city of Melbourne, which is much greater than the area which we intend to do, they had in 12 months come up with a complete EIA report. Therefore, why can't we, while waiting for the design phase to be undertaken, come up ourselves with an independent EIA report? The EIA would have allowed us and all stakeholders to voice our concerns and find proper mitigation measures in order to solve all the issues that may arise and in the name - and these are the words that this Government likes to use - of transparency and good governance, instead with the absence of an EIA study, we have arrogance and opacity! This seems to be becoming the trademark of this Government!

The residents have abruptly learnt that local sites which are essential to their daily lives such as at Promenade Roland Armand in Quatre Bornes, at Jan Palach in Curepipe, the Belle Rose fair, Jardin Bijoux in Beau-Bassin, Promenade Vandermeersch, the Basket Ball field in Barkly and the stadium in Camp Chapelon. This Government is implementing the Metro Express Project, in my opinion, in an irresponsible and scandalous manner. The hurry in which it is in is indecent! Everyday things are getting less and less clear, changing, we don't know which is which and every day we are hearing something new and every day we are hearing about new measures that are being taken.

But we should not forget that at this stage, families have been asked to move out of their homes already. We should not forget that at this stage, as hon. Armance was saying, the deconstruction of the stadium has already started. Therefore, if this is not indecent, then what is it? Does the Government realise the stress and upheaval that these measures will cause? The Promenade Roland Armand, for instance, which is adjacent to Vieux Quatre Bornes is a region known for its tranquility and green surroundings in *la Ville des Fleurs*.

*(Interruptions)*

Vandermeersch, sorry and Quatre Bornes...

*(Interruptions)*

...which I said adjacent to Vieux Quatre Bornes.

*(Interruptions)*

**The Deputy Speaker:** Order!

*(Interruptions)*

**Mr A. Duval:** Well, I said which is adjacent to Vieux Quatre Bornes.

*(Interruptions)*

I repeat it for the hon. Deputy Prime Minister who has some trouble in hearing, the Promenade Roland Armand, for instance, is adjacent to Vieux Quatre Bornes...

*(Interruptions)*

... to Vandermeersch, a region known for its tranquillity and green surroundings in la *Ville des Fleurs*.

*(Interruptions)*

A metro on rails will definitely affect the inhabitants with consequences on the price of land, on the places of worship, on the homes for old age people and the public dispensaries, all near the proposed rail outline all over, for example, Victoria Avenue.

In Curepipe, the roads around Jan Palach, are already, as you know, congested, very congested in fact. How will these roads, since the LRT is to be at road level, we want to know, we want it to be clear - if we are asking these questions, it is not to criticise in an unconstructive manner. It is trying to bring information to the people of Mauritius. How are these roads going to accommodate a light rail? Will this not further increase congestion?

*(Interruptions)*

There you go, at Jan Palach, it is elevated! But in other areas, in all these 16 stops, I am sure that this problem will have to be looked into.

In the absence of public hearings for an EIA, what mitigating measures will be taken? The inhabitants of Curepipe and Quatre Bornes who have suffered for five years from the inconvenience of badly planned sewerage project, the hon. Minister will know. It is not the fault of the hon. Minister by himself. But it is undeniable that for years now there have been works in Curepipe and Quatre Bornes. Yes, it is for the good of the towns. But we should not forget that these people who have suffered from the inconvenience will now have to put up with years of excavating, of noise pollution and of bad planning which will permanently affect their surrounding without an EIA assessment being done.

For example, if we look at Avenue Victoria or Boundary Road, will there be a wall to be built to separate the Metro from the houses next to it to dampen the noise pollution? Will the Metro run until late at night with these houses next to the tracks? All these questions have to be answered because all these questions are questions that the people living in those areas are asking.

There are lots of many examples. For example, the Camp Chapelon football ground which is an oasis of freshness in urban jungle. Apparently, the Camp Chapelon will have to be removed. Well, again, the opacity of this project has given source to so many rumours that need to be clarified.

Although the Metro does not affect any registered heritage sites, it can be argued like, for example, landmarks that will be eliminated such as at Promenade Vandermeersch, will have enormous emotional value for the residents and it is, in fact, what we may call *patrimoine immatériel*. The absence of consultation will not enable residents to obtain mitigation measures and to thrash out their concerns.

The Metro Express would have been a way to redefine land use planning and urban regeneration if properly planned with the comprehensive EIA report involving all stakeholders. Instead, all we are achieving today is to create unnecessary frustrations, disillusionment and missed opportunities for future generations due to the irresponsible manner in which this project is being brought about. The EIA enlistment for Metro Express is the result of that.

Another major issue is the proposed operation of the EIA on the road. We need to know what are the mitigating measures that will be taken to ensure that the risks of accidents are reduced. When we think, for example, if the Metro is to be operating at road level, will there be any barriers being erected to stop motorcycles, bicycles, pedestrians, etc. from crossing these tracks? We all know, and the Minister of Public infrastructure and Land Transport knows more than anyone here that motorcyclists in Mauritius, for example, have very bad driving manners. We need to make sure these motorcyclists will not be able to just cut corners on the tracks like they do in Port Louis going on the right-hand side, etc. All these are mitigating measures that need to be taken in order to ensure that there is maximum road safety with the Metro Express operating on the roads.

To conclude, we have seen previously that there have been serious questions raised as to the financial viability of the project. As to date, we don't know the amount of subsidy that



Government will have to put in to cover *le manque à gagner sur le billet du métro express*. To date, we still don't know out of the Rs17 billion, how much money will be spent to reconstruct, for example, the urban terminals. We have heard that it will be from the private sector. We still don't know when these will start. We still don't know all the public infrastructures, be it stadiums or otherwise, how much these will cost to be rebuilt and we, therefore, ask the Minister to give transparency in terms of figures and to give the whole amount. We already know that out of the Rs17 billion, the cost of compulsory acquisition has not been taken into account.

Therefore, what we ask the hon. Minister is to have the utmost transparency in the costing of this project. We also need to know whether the readership estimations that have been provided by the Minister, 80,000 a day, if I'm not mistaken. How has he come up with this figure and whether, when it is in operation, the average readership estimation is something else? We need to know how he came up with the figure and we need to have more clarity on this.

We now have confirmation that the haste in which this Government is embarking into that by removing the EIA report will be potentially a huge mistake for the future and which can turn this project into a nightmare. I repeat it. We are not against the Metro Express. It is our role, however, to make sure that due process is followed in its implementation.

There are serious questions on the technological aspect of the project, on the analysis of risk and the measures to mitigate those risks. There is a complete disdain for the impact of such a major project on people's life. Instead of redefining the transport sector, the urban landscape and propelling Mauritius to a cleaner and more efficient mode of transport, we are faced with a project which although may be good, but the manner in which it is being embarked on, in which Mauritius and all the Mauritians are being embarked on - *un projet préparait à la hâte*.

Et moi je vais dire préparer à la *hâte* pour masquer l'absence de bilan de ce gouvernement et le besoin se fait sentir de s'embarquer à la hâte dans n'importe quel grand méga projet pour essayer d'avoir un peu de résultats pour pourvoir venir aux prochaines élections solliciter les suffrages des Mauriciens.

Nous demandons avec persistance un rapport sur les conséquences environnementales avec une approche multidisciplinaire pour cerner tous les aspects d'un projet qui a les implications profondes pour la génération actuelle et pour les générations futures.

Nous ne trouvons pas acceptable que le contracteur puisse choisir son consultant pour faire le *EIA report that he is a judge and a party to that. We do not find it acceptable for such a huge project.* Dans la transparence, laissons le peuple décider de son avenir. Cessez d'imposer sur ce peuple des projets irréfléchis, mal planifiés dans la hâte où il y a l'incompétence au summum.

Merci, M. le président.

**The Deputy Speaker:** Hon. Lepoigneur!

**Mr Roopun:** Mr Deputy Speaker, Sir, may I just before the hon. Member speaks take a point of order and also attract your attention to Standing Order 47 which reads that –

“(... )tedious repetition either of his or her own argument or of the arguments used by other Members in debate, (... )”

And I trust that at this early hour in the morning, hon. Members will be guided by this Standing Order.

**The Deputy Speaker:** Thank you, hon. Roopun. I take note of same. Hon. Members, try to be to the point and do avoid irrelevance and repetition. Hon. Lepoigneur!

(01.21 a.m.)

**Mr J. C. Lepoigneur (Fifth Member for Beau Bassin & Petite Rivière):** Merci, M. le président. Je vais essayer d'être bref. Je sais qu'il est tard. Tout Le monde est pressé. Moi, je répèterai un peu ce que l'honorable Adrien Duval a dit. Le PMSD n'est pas contre le projet de Metro Express mais on a besoin des éléments de réponse, donc, pour ne pas être répétitif, je vais aller directement sur quelques problèmes d'environnement au niveau de ma circonscription où il y aura le tracé du Metro Express.

Je salue l'initiative de mon collègue l'honorable Armance d'avoir amené cette motion afin de donner l'occasion de m'exprimer dans différents problèmes et désavantages que ce projet pourrait causer sur l'environnement dans ma circonscription.

M. le président, le tracé concernant ma circonscription commence à Petite Rivière suivi de Coromandel, Maingard, Barkly, Jardin Utile, rond-point de Beau Bassin et Vandermeersch qui se trouve en partie à Beau Bassin. A Coromandel, déjà, en période de grosses pluies, on subit toutes sortes d'inondations, un problème qui n'a jamais été résolu depuis belle lurette. Il y a Hermitage qui se trouve à Coromandel. Toutes les constructions

ont été bloquées par rapport aux glissements de terrain. Là encore je vous demande comment la construction de la voie va être faite par rapport à ces problèmes.

M. le président, à Maingard, la voie passera en plein milieu des habitations. Un autre aspect des impacts environnementaux liés à des nuisances sonores, problématiques, complexes du fait de la subjectivité de la notion du bruit. En effet, la question de bruits se rapporte à différentes notions, cet objectif du son, phénomènes physiques, émission des ondes acoustiques perceptibles à l'oreille humaine. Le bruit est aussi une notion subjective lié à la perception de par l'oreille humaine. On parle de bruits, de nuisances sonores lorsque cette perception devient désagréable ou gênante et qui nuisent à la santé. Le bruit provient principalement du transport. Il peut être de la nervosité, de troubles de sommeil, de problèmes de communication pour les personnes exposées. Il entraîne aussi une nuisance pour les milieux résidentiels tels que les troubles de sommeil et le stress.

M. le président, à Barkly, le tracé va remplacer le complexe sportif que le ministre des terres et logement - par une réponse qu'il a répondu la semaine dernière - a promis un meilleur complexe que j'espère sera à proximité des habitants. Mais un sujet qui n'a pas été pris en compte ce sont les maisons de la défunte CHA qui datent de plus de 60 ans. Elles sont dans un état délabré et, au moindre petit choc, le toit s'écroule. Maintenant avec la vibration et les travaux de chaque passage du Metro Express, beaucoup de ces maisons, qui sont à proximité de la voie ferrée, seront affectés.

M. le président, après Barkly, il y a aussi le Jardin Utile qui est très fréquenté par les habitants avoisinants, surtout très utilisé par le club de troisième âge et les personnes qui viennent prier dans l'église d'en face donc un autre lieu très fréquenté qui va bientôt disparaître. A Vandermeersch, là encore, le Promenade Roland Armand va bientôt disparaître, le lieu est très fréquenté par les habitants avoisinants par le jogging et les quotidiens. Ce projet incombe le bétonnage des sols qui provoquent une hausse des eaux et empêchent leur infiltration dans le sol; ce qui augmente le risque d'inondations, les coulées de boue ; ce qui réduit le renouvellement des eaux souterraines. De plus ces eaux peuvent être chargées de polluants comme on en voit souvent.

La construction des infrastructures linéaires – routes, canaux, voies de chemin de fer morcellent les espaces naturels. Si les passages ne sont pas aménagés pour la faune et les zones peuvent être isolées les unes des autres, le paysage est aussi affecté par les infrastructures de ce type de transport. Ils peuvent déstructurer les espaces traversés.

M. le président, aujourd'hui l'humanité doit se forger une conscience universelle ; conscience de pouvoirs immenses qu'elle a acquis sur la nature par la science et les techniques ; conscience aussi des risques d'abus de faire naître ce pouvoir; conscience atteinte des responsabilités qui en découlent car ces hommes ne sont pas propriétaires de la nature ; ils en sont tout d'abord les responsables. Ils ne sauraient continuer à l'exploiter sans précaution et la mettre à la seule logique de rendement immédiat au risque de la saccager ou de l'épuiser.

M. le président, avant de conclure, notre responsabilité vis-à-vis des générations futures est de mettre fin à la dégradation générale qui en train de s'opérer sous nos yeux. Nous parlons beaucoup de droits de l'homme, mais ce sont les droits de l'homme de demain qui sont en cause que nous avons tendance à oublier.

Je vous remercie, M. le président.

**The Deputy Speaker:** I suspend the sitting for ten minutes.

*At 1.33 a.m., the sitting was suspended.*

*On resuming at 1.48 a.m with Madam Speaker in the Chair.*

**Madam Speaker:** Yes, hon. Ms Sewocksingh!

**Ms M. Sewocksingh (Third Member for Curepipe & Midlands):** Thank you, Madam Speaker. It is with deep concern that I am addressing this august Assembly today, pertaining to the motion which my colleague brought.

Madam Speaker, at this early hour, I will be very, very brief because my colleagues, on this side, have already mentioned the important points. Madam Speaker, the motion today is about the G.N. 40 of 2017 which enlisted Metro Express Ltd. Therefore, the company does not require the Environmental Impact Assessment licence. Madam Speaker, why are we urging that the EIA is important? It is because this licence is of paramount importance in all major projects as it measures the existing eco and social structures. As hon. Bhagwan mentioned, it is a decision making tool which prevents projects from strongly negative environmental impacts to go forward.

Madam Speaker, we are here to talk about the biophysical, economic and social impact about the Metro Express. We understand that the objective of the Metro Express is to ease the lives of people. This is a project for the people. However, Madam Speaker, has Government conducted a proper market research and survey pertaining to the social and

economic impact that this project will have on people's lives from the different regions that the Metro will go through? Has the Government conducted a proper research analysis survey in this regard? We are not saying that the Government is giving a blank cheque to destroy the environment as hon. Rutnah mentioned. And here, Madam Speaker, allow me to say, PMSD does not have to learn any lesson from hon. Rutnah!

*(Interruptions)*

We are not here to say that you are like a bulldozer to destroy the environment. But, Madam Speaker, we would like....

*(Interruptions)*

**Mr Rutnah:** I am now taking a formal point of order in relation to those who come to this House and read scripts. Section 39 (9) of the Standing Orders is very clear about it. If this is going to carry on like this at this early hour of the morning, I am going to formally object. If someone wants to take part in a debate, they take part in a debate, but not come here and read scripts. We don't know who prepare the script for them.

**Madam Speaker:** I have taken note of what the hon. Member has said. But let me also say that previous speakers also have read their speeches. So, I won't be able now, today to prevent her from reading her speech. We will take that point maybe at some later sittings.

*(Interruptions)*

**Ms Sewocksingh:** Very confusing! But Madam Speaker, what we would like to know is why such a hurry to bypass one of the most important steps as the EIA licence? Why are we, as my colleague, hon. Adrien Duval said, in a rush to do such a thing?

Madam Speaker, this motion that my friend, hon. Armance, is bringing today is about the EIA licence, and why we are omitting it? It seems that the Metro Express itself has become very confusing. I would like now to be very precise and take the example of my Constituency to be more accurate and not to lose the time of the House, Madam Speaker. So, I would like to take the example of Curepipe. Indeed, hon. Minister Bodha said that we have been meeting, we have been sitting around a table, discussing about the projects and everything.

*(Interruptions)*

Indeed, and that was very good!

*(Interruptions)*

Madam Speaker, when we discussed with the hon. Minister at that time, there was a very beautiful Master Plan that was unveiled for revamping the city Curepipe when the urban terminal will come. But since then, Madam Speaker, many modifications have come into that project, many improper explanations, lack of clarifications have come. It has become a confusing project. One day something, the other day another thing

Concerning Curepipe, Madam Speaker, I would like to know how are we going to cater for the flow of people in terms of parking spaces for the park and go concept of this project in Curepipe? Is there going to have a shuttle service between parking and station? What types of shuttle? What will be the distance between the residential areas and the Metro station? How are we going to cater for the influx of passengers that will travel to the station from Curepipe to Port Louis?

Even when we met, the hon. Minister said that there will be either in the Master Plan, there will be a new market which will cater for retail shops, hawkers space, etc. So, where will all these things be more precisely? Where will be new buildings? Will there be new buildings? Will there be new structures, Madam Speaker? Do we already have a plan to cater for the bus services? Do we have already a plan, Madam Speaker, to cater for the bus services until this project is completed? We all know that the project will include a new market which will have a temporary plan. I would like to know till that plan is being implemented where will be the traders, the market people, the traders will be relocated.

Madam Speaker, I heard the hon. Minister saying something very important about the AU regulations. So, in the same line, Madam Speaker, I would like the hon. Minister let us know whether this project has taken into consideration the elderly and the handicapped people as per the AU regulations. These are questions, Madam Speaker, that our constituents are asking. We are not here to make a show like hon. Rutnah. We are here because, as Members of Parliament, representing our Constituency, there are so many questions, Madam Speaker. We are building a project of some Rs17 billion for a 26 kilometre rail system of 654 million per kilometre and if we go according to the Government's intention of aligning the tickets to that of the buses, isn't that illogical to spend that much money?

Time factor, Madam Speaker, is massively important nowadays. We all run behind time. We have to ensure that this project goes in line with a very strict timing station. We are used to compare Mauritius, our country, to big cities, but we have to bear in mind that these

cities have other alternatives like bus lanes, that in case of breakdowns, the people can always rely on the bus to reach their work, etc.

And here, Madam Speaker, now I come to a very important point. Madam Speaker, I strongly condemn the fact that no proper public consultation, communication has been done before engaging the citizens in one of the biggest projects of this country and we are undertaking at the same time indebting our future generation.

Having been among the countries which sign different treaties along the past decades to reduce emission of carbon, are we not going in the opposite direction, Madam? And here, I am referring to COP21. Have we calculated of how much energy the trains will consume and how are we going to meet the demands of its energy requirements? Madam Speaker, do we have a *Plan B* if in case the *Métro léger arrive à dérailler*? It can happen, we just heard it from my hon. friends on this side.

Madam, we are not against any development, but before we get into massive investments, we must make sure that the project is viable over 15 to 20 years, at least, and that we shall get things done, not because of political gains, but to ensure that efficiency is coupled with dynamic solution.

Madam Speaker, before I end, I would like to say, Madam Speaker, make no mistake, we are not against any development, we are not against the project. We are not against any productive changes, but we want to have a very well-planned organised project. We want the Government to come forward with a very big project which will cater for each and every one where all citizens and the economic operators will be consulted and make this project more effective in line with our ecological and cultural views. Here, I would like to mention that we should not forget that there should be good governance and transparency in whatever we are doing.

Madam Speaker, I strongly support this motion of my hon. friend.

Thank you.

**Madam Speaker:** Hon. Sinatambou!

(1.54 p.m.)

**The Minister of Social Security, National Solidarity, and Environment and Sustainable Development (Mr E. Sinatambou):** Madam Speaker, allow me, from the very outset, to inform this House that one of the key mandates of my Ministry is to protect the

environment and promote sustainable development. I want to assure the House that as a responsible Minister, I will ensure that this mandate is fully respected.

However, I would like to place my remarks in a particular context. The context is that for many months now, I have been observing a particular phenomenon. It is a phenomenon which I have conceptualised as an *épidémie* which is affecting too many people on the other side of the House. It is caused by the *narien pas bon syndrome*.

*(Interruptions)*

*Oui, narien pas bon, sa même tone dire la. To passe to la vie dir sa même.*

*(Interruptions)*

So, let me speak now.

**Madam Speaker:** Don't interrupt, please!

*(Interruptions)*

Don't interrupt, please!

**Mr Sinatambou:** I have listened to you, now you have to listen to me!

**Madam Speaker:** It is already late. It is already two o'clock in the morning. If you keep interrupting, we won't finish the discussions.

*(Interruptions)*

**Mr Sinatambou:** It is my right to say.

Madam Speaker, I insist, this is my observation and you will see why I am saying this. My observation is, indeed, that too many people, on the other side of the House, suffer from the *narien pas bon syndrome*.

*(Interruptions)*

*Non, non! I am...*

**Madam Speaker:** Hon. Sinatambou, please refrain from saying this because this would tantamount to some unparliamentary words.

**Mr Sinatambou:** Madam, if you have been here, you would have realised that for hours, we have been hearing from the other side of the House that this project is actually so wrong because it lacks an EIA report.



*(Interruptions)*

Well, I have written it down and I am sure Hansard will prove me right. I have listened very carefully to the other side, especially to that side of the House, and only the hon. Member, Mrs Malini Sewocksingh mentioned EIA licence, throughout the others were speaking of an EIA report which was lacking and that was their main complaint against Government. And that is why you will see why, Madam, I am insisting on the *narien pas bon syndrome* because they will go to extremes, they will go to the utmost extremes to try to find every single thing being wrong.

**Mr Sinatambou:** If we say that the Metro Express is going to be on the right hand side of the road, they would say, no, it should be on the left hand side. If we say it has to be ten metres on a flyover, they would say it has to be five metres. If we say it has to be on the left hand side, they would say, no, on the right hand side. We only have to look at the motions which have been going on and which are scheduled before this House. They are all doomed: from the one which was moved against you, the two of today, and the next one coming some other time during the week or during the next two weeks. They are all doomed. But they will not leave any stone unturned to just claim or pretend that everything we do is wrong. Let us, in fact, just draw the attention of those Members on the other side of the House.

*(Interruptions)*

They should listen! Shut up and listen, please!

**Madam Speaker:** I have said not to interrupt. Please, when I am standing, the hon. Member should sit down!

*(Interruptions)*

This is the basic principle of this House. When the Speaker stands, the hon. Member should sit down.

*(Interruptions)*

**Mr Baboo:** I can raise a point of order! The hon. Minister cannot say 'shut up!'

*(Interruptions)*

**Madam Speaker:** Who said 'shut up'?

*(Interruptions)*

Who said this? Tell me who said 'shut up'.

**Mr Baboo:** Hon. Sinatambou said 'shut up'.

**Madam Speaker:** Did you say 'shut up', hon. Sinatambou?

**Mr Sinatambou:** I will withdraw, but I must say something. I keep being interrupted by the gentleman in a sitting position. He has to stop that!

**Madam Speaker:** Then, please withdraw!

**Mr Sinatambou:** I do withdraw. But I do expect...

*(Interruptions)*

I do expect, at this late hour, that they stop provoking and interrupting. Madam Speaker, you will appreciate that what I am going to say is relevant to my previous proposition, namely that they will just find anything wrong even if they have got nothing to say about it.

Let's look at this Government Notice No. 40 of 2017.

*(Interruptions)*

**Mr A. Duval:** On a point of order, Madam Speaker. This is clearly imputing motives on the Opposition. The hon. Minister is saying that we are of bad faith and that we will find anything wrong on whatever is being said. Please correct this, Madam Speaker.

**Madam Speaker:** Let me tell the hon. Member that the hon. Minister is not imputing motives. When he says that it's the Opposition, he is not imputing motives on any particular Member. If he makes allegations or he imputes motives of one particular Member, then I can stop him.

*(Interruptions)*

**Mr Sinatambou:** And I repeat it. Yes, this side of the House!

If we go back now to this Government Notice No. 40 of 2017, Madam Speaker, they have spent hours on the delisting of the highway and Mass Transit System of the Metro Express Project. But at no time have they uttered one single word on the delisting of housing projects. It is to say that they have been debating the whole evening to try and move for disallowance, but only of one part of the Notice. The other one, they have got nothing to say against and, therefore, how can we move for a disallowance of that one as well.

*(Interruptions)*

That is why I am stating and insisting that they will leave no stone unturned, just to prevent Government from working efficiently. And this is what this is about. Let me read what I wrote from the orator who spoke before me, and I was quite shocked. He spoke of ‘*empressement*’. He said that ‘*c’était un projet préparé à la hâte*’. He was telling us that we were acting in a hasty manner. What he actually forgot is to be found, Madam, in a document I have from May 2014, where surprisingly they do not seem to be aware of, that the Mauritius Light Rapid Transit Project, when they were in Government, was declared an exempt undertaking on the basis that it was urgently needed in the national interest or for the economic development of Mauritius. So, in 2014, when they were sponsoring the Light Rapid Transit Project...

*(Interruptions)*

**Madam Speaker:** Don’t point fingers! This is not allowed.

**Mr Sinatambou:** I can point upwards.

*(Interruptions)*

When they were sponsoring the Light Rapid Transit Project, it could be declared. They did not need an EIA licence anymore. Then, it could be an undertaking which was urgently needed in the national interest of Mauritius. It was urgently required for the economic development of Mauritius. In fact, I must say, while they were in Government, until a few months ago, they were also happy to sponsor the Metro Express Project.

*(Interruptions)*

**Madam Speaker:** No comments, hon. Jhugroo!

*(Interruptions)*

**Mr Sinatambou:** *to pu tan mwa encore là, ress trankil !*

**Madam Speaker:** Don’t continue to interrupt!

**Mr Sinatambou:** So, while they were in Government, therefore, the Light Rapid Transit Project was urgently needed. Now, when they were in this Government, again, they were all behind the Metro Express Project, and suddenly, as they leave Government, the Metro Express Project should no longer be urgently needed in the national interest of this country. That is so wrong, and that is why I am convinced and I insist that they are suffering from the ‘*narien pas bon*’ syndrome.

Now, let me say something, which I think is of importance also, Madam Speaker. I have listened carefully to a number of repartees, and my understanding, if I can quote the hon. Member from Beau Bassin and Petite Rivière, hon. Bhagwan. I wrote down what he said. I quote –

“(...) that a genuine EIA report would have quashed all qualms.”

I do agree with you, and I do agree with him through you, Madam. I also say that I noted down the statement of hon. A. Duval, when he said that, to him, he had confirmation that this Government had proceeded with haste without an EIA report. This, to me, from the two Members, sums up the gist of the contention of the Opposition: that there is no EIA report scheduled for this project. Therefore, allow me to say something, which may have escaped their attention, which was stated by the hon. Minister of Public Infrastructure and Land Transport. Government has taken a decision to request the submission of an EIA report for the purposes of the Metro Express Project. So, it is completely farfetched and unreasonable to come before this House and say that we are proceeding without an EIA report. Government will have an EIA report for this project. But I must perhaps pause a few minutes to actually explain why we have had to proceed with a particular process as regards the Metro Express Project.

What has happened is that, as mentioned by hon. Bhagwan, there are 46 listed undertakings under part (b) of the relevant Schedule requiring an EIA licence. What we suspect is that if we proceed by way of an EIA licence we run the serious risk of being delayed. Since we know that this project is now urgently required for the economic development of this country and in the national interest, it is to us of utmost importance that this project should not be delayed.

What do I mean by being delayed? By being delayed means that if we were to proceed by way of part (b) of the Fifth Schedule requiring an EIA licence, first of all, we would be compelled under section 15 subsection 3 of the Environment Protection Act of 2002 to provide an outline of the project three months before submitting the application for the EIA licence. So, already, therefore, we would need to prepare an outline and submit it to the Director of Environment three months before submitting the application for the EIA licence.

Now, once we would finish the three months and submit the application for the EIA licence, for the process under section 20 subsection 2 requires the Director of Environment to publish the EIA in two newspapers within 14 days of its receipt. So, after three months, we

spent another two weeks. After the publication appears then the public has another three weeks to make its comments on the EIA report. Another three weeks added to the two weeks, added to the three months.

Subsequent to the public comments, then the Director of Environment has to review the EIA in the light of the comments and has 42 days to submit the EIA for examination by an EIA Committee by virtue of section 21 subsection 1 paragraph (b). So, it is another six weeks which you add to the three weeks and to the two weeks and to the three months.

Subsequent to the examination by the EIA Committee, it would send its recommendations to me as the Minister responsible for the subject matter. It has fourteen days to send its recommendations to me and I have seven days to make a decision. So, we had another two weeks and another week to the six weeks and the three weeks plus the two weeks and the three months. After that, I have seven days to decide and there are seven days to publish my decision in a newspaper.

So, all in all, - I took in down - it would take 15 weeks minimum for the process plus another three months for the outline prior to the process starting and that is where the shoe pinches. In view of the apparent predisposition of a number of people who suffer from the '*narien pas bon* syndrome', we are likely to have an appeal. They are likely to try and again paralyse this Government! And, what would happen? I have looked at the last four or five cases before the Environment and Land Use Appeal Tribunal, what have I found out? An appeal before the Tribunal takes roughly about 15 months!

So, when you take...

*(Interruptions)*

That is why I won't do it now! That is why I will prevent others now from doing it. Because this project is of national importance and it is for the economic development of this country. Therefore, we will not have the three months nor the fifteen weeks and *encore moins* the fifteen months of the appeal! Which is why the Government decided not to go through the normal EIA licencing procedure under section 18 of the Environment Protection Act.

So, what remained was to have this undertaking declared as exempt because when it is exempt it does not have to go through the appeal procedure. Although it has to go through many other procedures which I listed for the EIA licence at least we forego, first of all, the outline of section 15 of three months and the appeal which applies under section 56 or 54, if I am not mistaken.

However, the difficulty we had, Madam Speaker, is that when we sought advice from the State Law Office, we were advised that the exemption provision of section 28 could not apply to the Metro Express Project because it is being implemented by a Special Purpose Vehicle which is not a public department. You need to be a public department to actually qualify for an exemption under section 28 of the Environment Protection Act of 2002.

Now, why am I explaining this, Madam Speaker? It is for you to understand because we do not want a project of that nature, of that importance for the economic development of this country to be stopped or to be slowed down unnecessarily by those people who, in fact, claim lofty ideals but, in fact, are acting pettily. We don't want them to slow down this project nor to bring it to a halt. That is why we could not go for the EIA licence procedure under Sections 15 and 18. We could not go for the exempt procedure under Section 28 (2).

So, the only possibility was to go under Section 96 of the Environment Protection Act of 2002 to delist the Metro Express Project from part (b) of the Fifth Schedule to the Act. And that is how there is nothing evil in it although I am sure those who suffer from the 'narien pas bon' syndrome will tell you ...

**Madam Speaker:** No repetition, please!

**Mr Sinatambou:** ... *projet opaque, cacophonie, haphazard, amateurish...*

*(Interruptions)*

Yes, *empressement*, irresponsible, scandalous, no clarity, arrogance, opacity. There is no such thing! Government has ordered that an EIA Report will have to be submitted. There will be transparency. Now, for those who might not be aware when we have asked for the EIA Report to be submitted it goes without saying that by definition under Section 18 subsection 2 of the 2002 legislation, the EIA Report will need to emphasise the direct or indirect effects that the undertaking is likely to have on the environment.

The project will have to make an assessment of the social, economic and cultural effects which the project is likely to have on the people and society. The project will have to elicit all the actions or measures which are proposed to be taken to avoid, prevent, change, mitigate or remedy as far as possible the likely effects of the project on the environment. It will have to make an assessment of the inevitable adverse environmental effects that the project is likely to have on the environment, people and society.

Just a few other little additions for the sake of the record, Madam Speaker. The EIA report which Government has requested needs to provide an accurate assessment of the irreversible and irretrievable commitment of resources. It will need to provide an environmental management plan. It will need to provide an environmental monitoring plan and, finally, such other information as may be necessary for a proper assessment and review of the potential impact of the undertaking on the environment people and society. That is what this Government has requested for the purposes of this project. But it will not allow itself to be slowed down or halted as regards this project which we believe is of utmost importance for the future of this country.

Allow me to add, Madam Speaker, that I find it of bad faith that people when they hear now that an environmental impact assessment report comprising such comprehensive requirements is going to be made, that they keep telling us that this is not transparent, it is actually imbued with opacity, that it is hasty. You cannot actually make an EIA report like that if you are hasty. And for those who were trying to claim that those who will make the report will be judge and party, I can assure the House that this will not be the case.

Now, one small thing I wanted to add, apart from what I consider to be the hypocrisy of the Opposition that they themselves, when they were backing a project of that nature, found it to be urgent in the interest of the country and now they do not. So, I try to show the hypocrisy. Let me say also, it so appears that suddenly they seem to be seeing the delisting of this project as a novel phenomenon. As if it has never existed. Let me inform the House that I have come across a list of 31 delisted undertakings. Already in this country following the enactment of 2002 legislation concerning the Environment Protection Act and EIAs and undertakings requiring EIA licences, delisting is not a novel phenomenon. I have a list of 31 undertakings which have been delisted and among them, you will find demolition of buildings. So, even if we were today to demolish 50 skyscrapers from the City of Port Louis, under the law, they have been delisted; they do not need an EIA report nor an EIA licence. If you look, wastewater treatment plants, according to the list I have, do not require an EIA report nor any EIA procedure. They have been delisted.

*(Interruptions)*

That's it! So, just like we are doing here, I am happily informed by the concerned Minister that like we have insisted on an EIA report for the purposes of the Metro Express project, even if it is delisted, the concerned Minister is informing me that for wastewater treatment

plant, his Ministry also submits EIA reports even if these are delisted from the purview of the Environment Protection Act of 2002.

So, Madam Speaker, what remains to be said is, I believe, very little, except perhaps for this Environmental Management and Sustainability Plan. Over and above the EIA report, Madam Speaker, I am pleased to inform the House that as Minister of Environment and Sustainable Development, I was happy to have my Ministry to vet a document which actually puts an obligation on the contractors who would win the contract. There is an obligation on them, I quote, first of all –

“To submit an Environmental Management and Sustainability Plan where they have to comply with the Environmental Management and Sustainability obligations for the project; including acquiring all the relevant environmental approvals from the authorities prior to commencing any work. They need to develop, implement and maintain an environmental management system for the works. They need to provide a live environmental risk register. Particularly, they need to develop, implement, maintain and comply with a project specific environmental management system which is in accordance with the strict ISO 1400 Series for the duration of the contract. Hefty environmental obligations which are being imposed by way of contractual terms in the bidding documents over and above the EIA report.”

All this to show that this Government is serious about environmental protection, about sustainable development and about the future of its citizens. Let us not be distracted by the *bla-bla-bla* of the other side.

May I conclude, Madam Speaker, by saying just a quick few things? If ever, for reasons unknown to this day that there was a need to have additional environmental safeguards, over and above those I have elicited before this House this early morning, I would like to inform the House that under section 84 subsection (1) of the Environment Protection Act, the Director of Environment may, at any time, for any project, request monitoring of environmental quality for ensuring compliance with an environmental law. Plus, if ever we see that there is any risk which arises or any damage which is being caused to the environment, we are allowed under section 70 of the Environment Protection Act to have a program notice, under section 71, an enforcement notice and under section 72, a prohibition notice. We will leave no stone unturned to protect our country while ensuring that the Metro Express project sees the day regardless of whatever obstacle that the other side of the House thinks it can put before the Government. We shall not be swayed.



Allow me to conclude, Madam Speaker, by saying that we are not only protecting the environment, but we are also preparing for a brighter future for the present and the coming generation. Indeed, Madam Speaker, we are firmly embarking on the path of economic, social and environmental sustainability. As a responsible Government, we will, however, not allow ill-intentioned persons or groups to jeopardise the modernisation of our country, of our transport system and of our urge to create an inclusive and sustainable society.

I thank you, Madam Speaker.

**Madam Speaker:** Hon. Abbas Mamode!

**Mr S. Abbas Mamode (Fourth Member for Port Louis Maritime & Port Louis East):** Thank you, Madam Speaker. Before I start to address this august Assembly concerning the Motion of Disallowance, let it be loud and clear, Madam Speaker, that we are not against development. We are not against modernity. We are not against Metro or any other mode of transport which will be beneficial for the people of this country.

When a project of this *envergure* is being put in place in Mauritius, consultation is *primodiale*.

Madam Speaker, I have been to the people of Camp Chapelon and I spoke to the people accompanied by hon. Baloomoody, hon. Armance and others MPs. We have been there to listen to the people and listening to the people must be the priority of any MP in this Assembly.

Consultations need not to be done only by experts from other countries or by experts hired by the one who will be responsible for Metro Express, but also by the investors of the project. Madam Speaker, the main investors here, I believe, are the Mauritians. Yes, Madam Speaker because India will give a grant of Rs10 billion and the rest will be funded by the money of the people of Mauritius.

We cannot deny the fact that the Metro Express will, in one way or another, be a financial burden on tax payers and eventually consumers. I believe, Madam Speaker, that we are in a situation where we should set priorities and follow same. I've listened to the reply of the hon. Prime Minister this very morning in the PNQ concerning a matter of national concern - fight against corruption and in his reply, the hon. Prime Minister stated that he has to consult the stakeholders. The Prime Minister, himself! When I listened to hon. Minister Gungah, this morning, he stated in his speech that we are living in an uncertain world. That's true!

La population prend note, Madame la présidente, ce matin que ce gouvernement a hypothéqué la santé, le bien-être des mauriciens ainsi que la protection de la nature en ne suivant pas la procédure pour un *EIA Licence*. Le ministre Sinatambou aura beau expliquer pourquoi ce gouvernement à choisi d'outrepasser ses procédures, mais nous retenons que ce gouvernement consciemment met la vie et l'avenir des mauriciens *at stake* car pour de simples projets, par exemple, qui sont listés, *hospital and clinic need an EIA Licence*.

*I wonder if such a huge project like the Metro Express need d'être dispensé de ce fameux EIA Licence. J'ai beau écouté l'honorable Rutnah. On n'a aucune leçon à apprendre de Rutnah. Le PMSD a beaucoup aidé à l'amélioration des gens de l'île Maurice. Et c'est éloquent de voir dans toutes les sphères de développement l'empreinte du PMSD. J'attends l'empreinte de votre parti dans la construction de l'île Maurice moderne.*

*(Interruptions)*

Where?

*(Interruptions)*

Madame la présidente, ...

*(Interruptions)*

Tu veux des exemples! Madam Speaker, we believe ...

*(Interruptions)*

**Madam Speaker:** Don't engage in cross-talking !

**Mr Abbas Mamode:** Madam Speaker, we believe that the population of Mauritius should be aware of the consequences of the Metro Express. They should be aware of the example of how many houses - I listened to the speech of hon. Bodha where he stated that all the land had been acquired in 2012. But I will refer to Government Notice No. 472 of 2017 where Government is still acquiring land in Trianon. There are so many acquisitions in this Government Gazette...

*(Interruptions)*

**Madam Speaker:** Don't interrupt the hon. Member, please!

**Mr Abbas Mamode:** Hon. Bodha stated in his speech that land had already been acquired in 2012 whereas we have notices right now, not one more than one.

I heard hon. Sinatambou that the EIA report, he was referring to, will be published in the Government Gazette and the public will have the chance to consult and to make remarks because this will be the case...

*(Interruptions)*

It has to the case!

Because the EIA study includes the following –

- collection of baseline data and information;
- public involvement participation;
- identification of impact in term of magnitude and significance;
- socio-economic analysis of project, and
- effect impact.

So, Madam Speaker, we are talking about the future generation of Mauritius. Very quite often, we heard Ministers telling this way is very wide; we should have planned for better *réseau de transport. Mais là on a l'occasion de le faire parce que cela concerne l'avenir, cela concerne nos enfants et les generations à venir. Et c'est important que la population soit partie prenante dans ce projet de Metro Express et que la EIA ne soit pas dispensée.*

Madam Speaker, I am just referring to notes.

*(Interruptions)*

I am referring to notes!

Futhermore, it can have a disastrous effect on the environment. All around the world, we are talking about planting trees and creating green space, but here, with this project, green areas in Beau Bassin will disappear. This is not only a green space. This is a patrimoine. I have been to Régis Chaperon Secondary School and I know this place has been there for decades. What about the impact on our environment pollution? While setting up the Light Rail tracks, playgrounds, recreational space will have to be relocated or even destroyed. All these can create a frustration among the population.

On a conclusive note, we can say that a further efficient planning is needed, Madam Speaker. The welfare of the population should and must be our priority. Public consultancy should be the main concern as with such a big project among the biggest Mauritius has known. The latter's habit will change. We are discussing about something which will affect the daily life of the population, directly or indirectly. Hence, we should not be in a rush to take the metro from Vacoas to Port Louis, if ever, our drivers leave us on the road.

Thank you, Madam Speaker.

**Madam Speaker:** Hon. Collendavelloo!

(2.36 a.m.)

**The Deputy Prime Minister:** Madame la présidente, à cette heure matinale, heureusement que la tâche d'essayer de faire un petit *summing-up* ne s'avère pas très difficile ni compliquée.

D'abord permettez-moi de dire que j'ai été surpris d'entendre l'honorable Abbas Mamode venir et il a été le seul intervenant du PMSD à avoir compris le sens de la motion qu'on débattait aujourd'hui. C'est-à-dire est-ce qu'on a besoin de déguster le projet du Metro Express. Quant aux autres orateurs du PMSD, permettez-moi d'évacuer leur argument très brièvement. Nous avons tout entendu d'eux sauf la motion.

L'honorable Armance qui est supposé avoir écrit cette motion pour nous a parlé que d'une façon par coïncidence de sa motion, mais à part cela, il s'est lancé dans des débats qui n'avaient absolument rien à faire avec sa motion. Donc, je n'y parlerai pas et il a été suivi par tous ceux qui l'ont succédé. Mais, en plus, nous avons eu droit à un bêtisier complet de la part du PMSD, par exemple, que le Metro Express avait déplacé la Promenade Roland Armand de Beau Bassin à Quatre Bornes. Nous avons aussi appris que le terrain de foot du Camp Chapelon allait disparaître en dépit de toutes les assurances que l'honorable Ministre s'est évertué de nous donner, ils ont persisté dans cette tâche. Nous avons appris que le tracé - et cela vient de l'honorable Lepoigneur - affecterait Coromandel, Hermitage et même Vuillemin, des endroits où le Metro Express ne va pas passer.

Alors, c'est du n'importe quoi du PMSD et je ne perdrais pas le temps de la Chambre pour essayer de réfuter des arguments aussi légers et empreint de frivolité. Le parti travailliste a eu l'intelligence de s'abstenir des débats de cette motion car ils ont bien compris que leur allié de toujours avait complètement divagué. Nous sommes demeurés donc avec deux seuls discours, d'abord celui de l'honorable Bhagwan et celui de l'honorable Abbas Mamode. Que disent-ils ? L'honorable Abbas Mamode reprend à peu près tous les points que l'honorable Bhagwan a pris.

D'abord, je suis sûr que personne n'a vraiment apprécié cette remarque sur l'Inde, sur la contribution de l'Inde à ce projet qui a été exprimé par l'honorable Abbas Mamode. Par contre, nous avons noté qu'au moins du côté du MMM et de notre côté nous avons mis *on record* la reconnaissance de notre pays envers le gouvernement de l'Inde qui apporte tout son soutien à ce projet et évidemment je faillirai à mon devoir si je n'ajoutais pas ma voix à cette reconnaissance, malheureusement pas unanime de cette Chambre vis-à-vis du gouvernement de l'Inde car sans le gouvernement Indien, nous n'aurions pas pu mener ce projet à son terme.

Et là, pour répondre à l'honorable Bhagwan, pouvons-nous croire que dans un projet de cette envergure, alors que nous savons comment le projet de Delhi Metro a été un succès du point de vue environnementale, pouvons-nous croire un seul instant que le gouvernement de l'Inde mettrait son argent dans un projet pareil en nous permettant de détruire l'environnement de notre pays ? Pouvons-nous croire un seul instant que ce gouvernement aurait investi autant d'argent pour faire quoi ? Pour détruire l'île Maurice ! Nous avons entendu que même les vieux et les handicapés de Curepipe allaient souffrir avec ce projet.

*Interruptions*

Qu'il n'y aurait pas eu le trajet ! On ne sait pas comment les gens vont se déplacer ! Vous savez, c'est typique du PMSD d'essayer d'attiser la haine envers les projets. Depuis que je suis enfant je connais ça. L'université, la télévision, tous ces grands projets de l'île Maurice, ils ont toujours été contre. Toujours ! Et aujourd'hui, le PMSD sera encore une fois *on record* pour cet opposé à ce projet d'envergure nationale. De quoi nous parlons ? Nous parlons d'empêcher les abus de procédures.

**Madam Speaker:** Now listen, this side of the House!

**The Deputy Prime Minister:** Nous voulons empêcher des abus de procédures qui vont retarder et même hypothéquer le projet. Je prends trois exemples que je connais. Les éoliennes de Plaine Sophie, comment des gens, par abus de procédures, ont pu retarder un projet pendant deux ans. Je prends Saint Louis, où nous faisons face à six procès uniquement dans une tentative de faire stopper le développement. Je prends *Bagatelle Water Treatment Plant*. Pendant 18 mois, nous avons dû subir une injonction qui ne tenait pas et que finalement a été retiré de la Cour Suprême. Trois projets qui sont à ma connaissance personnelle, qui témoignent de la faculté contre certaines personnes d'utiliser, d'abuser de la procédure afin d'empêcher le développement et le projet dans ce pays. C'est pour ça que si j'accueille favorablement le sérieux des arguments et de l'honorable Abbas Mamode et de l'honorable Bhagwan, je ne peux être d'accord avec les raisons qu'ils avancent derrière leurs arguments.

Je conclus en disant que cette motion est malvenue. Son auteur n'a malheureusement rien compris de ce qu'il avait écrit et il s'est laissé aller dans une diatribe qu'on ne comprenait pas. Il a été malheureusement suivi par les autres membres de son parti et, finalement, nous avons perdu une nuit mais pas pour rien, pour bien démontrer à la

population de quel côté le sérieux était et pour bien démontrer que le projet de Metro Express est un projet qui sera mener à bon terme sous ce gouvernement.

Merci, Madame la présidente.

(2.45 a.m.)

**Mr Armance:** Thank you Madam Speaker. Let me thank the hon. Ministers and other Members of the House for their contribution today on the Motion of Disallowance. However, I take note that some Members on the opposite side have not understood the point I raised on the social impact that may happen if we do not do a proper assessment of the project.

Hon. Sinatambou mentioned that a proper assessment may delay the project. So, what is the urgency of doing the project now? Why do we need to impose a project to the population as this stage ? Why can't we wait for one more year? At least, we are sure that all the measures will be taken into consideration regarding the environmental aspect of the project.

We totally disagree with hon. Rutnah that we are against development. I think my other friend has mentioned it. We are not against development and modernity. So, we just want to make sure that the project is realised with the proper safeguards, especially with the guideline listed in the EIA.

To conclude, I welcome what the hon. Minister mentioned regarding the report that they are going to submit for the EIA. But my question to him is: will the report be available to the public? Will the report be gazetted? Will the report go through the EIA Committee so that the public at large can bring the consultation and know exactly what is the impact in the project?

Thank you.

*The motion was, on question put, defeated.*

**Madam Speaker:** The motion is defeated.

### ADJOURNMENT

**The Prime Minister:** Madam Speaker, I beg to move that this Assembly do now adjourn to Tuesday 25 April 2017 at 11.30 a.m.

**The Deputy Prime Minister rose and seconded.**

*Question put and agreed to.*

**Madam Speaker:** The House stands adjourned.

### **MATTER RAISED**

#### **CIVIL SERVICE – TRAINING COURSES – BOND AGREEMENT**

**Mr M. Gobin (First Member for Rivière des Anguilles & Souillac):** Thank you, Madam Speaker, for giving me some more minutes to keep this House busy, especially the hon. Members of the other side. Now, it is my turn. But I assure you, Madam Speaker, that I am not going to take more than ten minutes to explain this issue which I am raising as a specific matter in the interest of all public officers.

This issue concerns public officers who subscribe to a bond during a period of training. For clarity, I have to state that in the past, officers who subscribed to a bond on account of some training which is offered to those public officers in the Public Service, were bonded to serve the Public Service for a specific number of years and if those public officers who had received training and who had subscribed to a bond, had left the Public Service as a whole, to take employment, let us say, in the Private sector, they were required to refund the amount of the bond. This has been the case for a number of years and the bond was refunded on a *pro rata* basis depending on the number of years that was remaining on the bond.

However, this situation changed in February 2014. There was a Circular which was issued by the Ministry of Finance and Economic Development in February 2014 where there was a change in the regime applicable to public officers who had received training and who had subscribed to a bond. The change in regime was that, if public officers left the Public Service to take employment in the private sector, they would still have to refund the bond and that is, of course, fair and I have no qualms with that. What the Circular of February 2014 did was to bring in a new paragraph stating that -

“If a public officer who had received training and who had subscribed to a bond, had left a Department of the Public Service to take up employment in another Department in the Public Service itself which was not related to the training he or she had received, that public officer would still have to refund the bond”.

This meant that, let us say, a public officer had received training in the Ministry of Education, had left the service from the Ministry of Education and taken up an employment in the Ministry of Health or *vice versa* or from one Ministry to another Ministry, the Circular would still be applicable and that public officer would still be required to refund the bond on



the only condition that the training he or she had received was not related to that employment he or she had taken in that other Department, be it still in the Public Service.

This has led to a number of cases where public officers have been required to refund the amounts of the bond despite the fact that they are still serving the Public Service. This goes against the mobility of public officers from one Department to another Department.

Now, I have to add that so as to complete this issue, the latest PRB report contemplates that, in one of the recommendation that –

“Officers who obtain employment in the private sector should refund the bond”.

I have no qualms with that. However -

“officers who obtain employment in another Ministry/Department, or any organisation in the Public Sector and the duties in the new Ministry/Departments/Organisations are related to the training received, then only they will be allowed not to refund the bond”.

Now, this, Madam Speaker, leads to a number of unfair situations. This goes against the principle of mobility of staff in the Public Service. This goes against the principle that the Public Service should contemplate situations where public officers can be transferred from one Department to a scarcity Department, for example, I am thinking of the Ministry of Health and Quality of Life. If, let us say, a public officer in the Ministry of Education is transferred to the Ministry of Health and that public officer had received a scholarship and is bonded from the Ministry of Education, that public officer would still have to refund the bond despite still serving the Public Service. I think this calls for a review of the policy. At least, we should take it on a case to case basis, from one Department to another Department, which Department? Is it a scarcity area? Let us take into account the length of service of that public officer.

I have made my point, Madam Speaker. I won't say more.

Thank you.

**The Prime Minister:** Madam Speaker, I am informed that in accordance with the Ministry of Finance and Economic Development Circular dated 21 February 2014, a bonded officer who is offered employment in another Ministry or Department or an organisation receiving Government grant and the duties attached to his new post are related to the training received, is normally allowed to serve the remaining bonded period in the new organisation.

On the other hand, bonds are enforced in the case of bonded officers who take up employment in the Private Sector or have received specialised training fully sponsored by Government. The officers have to refund the bonded amount on a *pro rata* basis based on the value of the bond and the remaining period still to be served. I am also informed that a number of inconsistencies have been observed in the application of the present system of enforcement of bonds subscribed by public officers.

Now, in the light of what the hon. Member has said and in view of several representations that have been made waiving for a bond, a joint technical committee comprising of officers of my Ministry and the Ministry of Civil Service and Administrative Reforms has already been set up to look into the weaknesses in the present system.

The Committee will come up with recommendations to address all issues pertaining to bond agreements and their enforcement.

*At 3.03 a.m., the Assembly was, on its rising, adjourned to Tuesday 25 April 2017 at 11.30 a.m.*

## WRITTEN ANSWERS TO QUESTIONS

### DRUG TRAFFICKING - SURVEILLANCE SYSTEM

**(No. B/261) Ms M. Sewocksingh (Third Member for Curepipe & Midlands)** asked the Minister Mentor, Minister of Defence, Minister for Rodrigues whether, in regard to illicit drugs, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the measures taken for the detection of cases of trafficking thereof and of other related offences, since 2014 to date indicating the role of the National Coast Guard and other surveillance systems in connection therewith.

**Reply:** I am informed by the Commissioner of Police that the following measures are being implemented to detect cases of drug importation and trafficking -

- (i) Effective deployment of Field Intelligence Officers (FIOs) in every Division of the Police Force to collate, analyse and disseminate timely intelligence;
- (ii) Profiling of passengers and checking of suspicious cargo at Port and Airport area;
- (iii) Close supervision of activities in Port and Airport premises;
- (iv) Targeted operations in drug-prone areas by various units of the Police;

- (v) Use of sniffer dogs by both ADSU and Mauritius Revenue Authority (Custom);
- (vi) Closer collaboration between Mauritius Police Force and Mauritius Revenue Authority for tracking drug cases;
- (vii) Information sharing between Police in neighbouring countries on movements of frequent travellers suspected to be involved in drug transactions;
- (viii) Multilateral cooperation with foreign countries for the extradition of offenders involved in drug trafficking and other extraditable offences;
- (ix) Collaboration with international agencies such as Interpol, International Narcotics Control Board (INCB), United Nations Office on Drugs and Crime (UNODC);
- (x) Use of state-of-the-Art equipment such as drones, scanners, fiberscope, and trace detectors amongst others; for drug detection, and
- (xi) Training of Prison Officers in intelligence development on profiling of prison inmates involved in drug offences.

As regards the role of the National Coast Guard, I am informed that the following measures have been taken -

- (i) Heightened patrols by NCG in the Port area and use of Fast Interceptor Boats to patrol along the coast and outside the harbour, and
- (ii) Effective surveillance of our coastal areas and Exclusive Economic Zone (EEZ) by NCG Patrol Vessels and Dornier Aircrafts.

Furthermore, the services of the NCG Commando, which is a specialized unit equipped with necessary equipment to intervene at sea and undertake hostile boarding, are often solicited by the Anti Drug and Smuggling Unit for combating drug trafficking and other illegal activities at sea.

The NCG also assists the ADSU in the following -

- (i) conduct of search in high risk areas with the help of NCG Commandos;
- (ii) arrest of suspects who have absconded from Mauritius by sea;
- (iii) checking of ships suspected to be carrying illegal drugs in our EEZ;
- (iv) tracking of suspicious ships and pleasure crafts by using the Coastal Surveillance Radar Systems, and
- (v) Conduct of Control delivery exercises in coastal areas.

**POLICE DEPARTMENT – FEES & LICENCES – MONEY COLLECTED**

(No. B/274) Mr K. Ramano (Third Member for Belle Rose & Quatre Bornes) asked the Rt. Minister Mentor, Minister of Defence, Minister for Rodrigues whether, in regard to the Police Department, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the amount of money collected but which has not been banked as at to date in respect of –

- (a) passport fees;
- (b) game licence fees;
- (c) firearm licence fees;
- (d) extra duty allowances, and
- (e) Certificate of Character fees, indicating the measures that will be taken to prevent the recurrence of similar state of affairs in respect thereof, as highlighted in the Report of the Director of Audit for the period 01 January 2015 to 30 June 2016.

**Reply:** I am informed by the Commissioner of Police that there are eighteen cashiers' offices within the Police Department where money is collected in respect of Passport fees, Game Licence fees, Firearm Licence fees, Extra Duty Fees and Certificate of Character fees.

As per the Financial Management Manual, the moneys collected by the Revenue Clerks at the cashiers' offices are deposited in banks on a daily basis.

However, in 2015, following an internal audit trail undertaken at the cashier office of the Northern Divisional Headquarters (Piton), it was found that during the period 01 January 2014 to 31 March 2015, such fees collected amounting to Rs14.8 m. were not banked. Subsequently, a special team was set up to recoup this money. Thereafter, out of 918 cheques secured by the team, 485 cheques amounting to Rs10.7 m. were cleared.

A similar internal audit trail carried out in 2016 covering period January 2009 to December 2013, revealed that there was no documentary evidence to substantiate that a sum of Rs18.5M was banked.

Enquiries in both cases are still ongoing at the level of the Central Criminal Investigation Department.

I have to inform the House that one Police Officer acting as Revenue Clerk at the Northern Divisional Headquarters (Piton) was arrested and was charged provisionally for 'Larceny by person in receipt of wages'. He has been interdicted from duty since 22 April 2015.

As at date, an amount of Rs22.7 m. has not been banked.

I wish to inform the House that all moneys collected by the Police as from April 2015 at the various cashiers' offices have been banked.

I am informed by the Commissioner of Police that the following measures have been initiated to prevent the recurrence of such situations -

- (a) the Manager of the Police Audit Squad is periodically monitoring the eighteen cashiers' offices of the Police;
- (b) Divisional Commanders have been directed to ensure that all moneys collected are banked on the same day during week days and moneys collected on Saturdays are kept in the safe custody of Divisional Commanders to be banked on the following Mondays;
- (c) A Board of Enquiry has been instituted under the chairmanship of a Deputy Commissioner of Police to determine the causes leading to the occurrences where moneys collected have not been banked;
- (d) The Finance Section of the Police Department has been directed to strictly comply with the provisions of the Financial Management Manual and appropriate action will be initiated in case of non-compliance;
- (e) A system of internal check has been put in place at the Finance Section of the Police Department, whereby Financial Operation Officers carry out verifications of revenue collections at least once weekly, and
- (f) A monthly return indicating the daily collections of all cashiers' offices is prepared and monitored at the level of the Police Headquarters.

**DISCIPLINED FORCES SERVICE COMMISSION – PRISONS OFFICERS  
& POLICE OFFICERS – COUNSEL ASSISTANCE**

**(No. B/275) Mr V. Baloomoody (Third Member for GRNW & Port Louis West)** asked the Rt. Minister Mentor, Minister of Defence, Minister for Rodrigues whether, in regard to the Prisons Officers and the Police Officers, he will, for the benefit of the House, obtain from the Commissioner of Prisons and from the Commissioner of Police respectively, information as to if consideration will be given for a review of the Police Standing Orders and of the Prisons Standing Orders respectively, to ensure that they can retain Counsel of their choice to assist them in cases referred to the Disciplined Forces Service Commission.

**Reply:** Regulations 35 and 36 of the Disciplined Forces Service Commission Regulations 1997 provide for the setting up of a disciplinary committee by the DFSC to hear cases against members of the Force.

These Regulations also provide for the accused members to be represented by a Legal Practitioner.

In the light of the above, it is not proposed to amend the Police Standing Orders and the Prisons Standing Orders.

### **HOLISTIC EDUCATION PROGRAMME - RECRUITMENT**

**(No. B/276) Mr V. Baloomoody (Third Member for GRNW and Port Louis West)** asked Minister of Education and Human Resources, Tertiary Education and Scientific Research whether, in regard to the Holistic Education Programme being implemented in the wake of the Nine Year Basic Schooling Programme, she will state -

- (a) the number of –
  - (i) teachers recruited therefor and
  - (ii) students having followed same under the Youth Employment Programme in May 2016, and
- (b) if consideration will be given for those who have followed the Holistic Education Programme under the Youth Employment Programme to be recruited in the service.

**Reply:** In the context of the implementation of the Nine Year Continuous Basic Education Programme, my Ministry has introduced the Holistic Education Programme (HEP) which emphasises the holistic and integral development of the child, thus ensuring that each child is given the opportunity to develop all his/her potential.

As regards part (a)(i) of the question, following an announcement made in the Budget Speech 2016/2017 for the teaching of HEP, 340 Trainee Primary School Educators (HEP) were recruited for Government and aided primary schools.

As far as part (a)(ii) of the question is concerned, some 123 trainees were enlisted under the YEP in May 2016. The MIE was responsible for their training.

As for part (b) of the question, the recruitment of Trainee Primary School Educator (HEP) is carried out by the Public Service Commission as per approved Scheme of Service.

I am given to understand that some of the YEP Trainees have been recruited by the PSC.

### **CAMP CHAPELON – FOOTBALL PITCH**

**(No. B/277) Mr V. Baloomoody (Third Member for GRNW & Port Louis West)** asked the Minister of Local Government and Outer Islands whether, in regard to the football

pitch located at Camp Chapelon, he will, for the benefit of the House, obtain from the Municipal Council of Port Louis, information as to -

- (a) the reasons for the removal of the Goalkeeper Poles thereat
- (b) when adequate lighting will be provided thereat, and
- (c) the date of coming into operation of the cloak rooms thereat.

**Reply:** On 02 March 2017 the Ministry of Housing and Lands informed my Ministry that the plot of land, of the extent of 11,400 m<sup>2</sup> at Plaine Lauzun, which was vested in my Ministry for use by the Municipal City Council of Port Louis as Camp Chapelon football ground, had been retrieved on 14 April 2014 for the implementation of the formerly Mauritius Light Railway Transit Project. My Ministry was further informed that arrangement would have to be made for the removal of all structures over the site, as the plot of land has already been vested in the Ministry of Public Infrastructure and Land Transport in view of the implementation of the Metro Express Project. On 07 March 2017, my Ministry transmitted the information received from the Ministry of Housing and Lands to the City Council and the goal posts of the football ground were removed on 28 March 2017.

I am, however, informed that, since there is no other football grounds in the area, the Lord Mayor approached my colleague, the Minister of Public Infrastructure and Land Transport, to find out whether there is a possibility not to relocate the existing football ground. The MPI, after having given due consideration to the request of the Lord Mayor, informed the Council on 30 March 2017 that the football ground at Camp Chapelon is not expected to be affected by the alignment of the Metro Express. The goal posts were, accordingly, reinstated on 04 April 2017 and the fencing will be repaired shortly.

With regard to part (b) of the question, I am informed by the City Council that there are actually four existing poles with a total of 16 floodlights of 2000 Watts each. 12 flood lights are defective since November 2016. Since repairs could not be undertaken in-house as the Municipal Street Lighting lorry cannot reach the required height, the services of a contractor were sought to effect the repairs. The works were due to start on 20 March 2017, but were kept in abeyance, in the light of what I have just stated in my reply to part (a) of the question.

I am, further, informed that, pursuant to the positive development that the football ground is not expected to be affected by the Metro Express Project, the works were rescheduled for the weekend of 08-09 April 2017.

In the meantime, on 06 April 2017, the CEB has requested the Council to relocate the lighting posts found at the football ground as these shall constitute a potential danger to the Ebène transmission line, which is being shifted to the St Louis Power Station. A joint site visit has been effected by officers of the Council and the CEB on 11 April 2017 and the request of CEB has been referred to the Council, for consideration.

As regards part (c) of the question, I am informed that the contract for the construction of a cloakroom at Camp Chapelon football ground, for an amount of Rs2.9 m., was awarded on 28 August 2012 to Kam Construction Ltd. The project was to be completed on 23 February 2013. However, the contractor stopped the works without giving any valid reasons. The contractor has, accordingly, been paid for the value of works carried on site, i.e.,Rs 776,239.99.

I am also informed that the project was to be funded by the NDU and payments were to be released only on certification of works carried out. Being given that the Contractor stopped all the works, the NDU informed the Council, on 16 October 2013, that no fund would be made available for the completion of the project.

I am further informed that the Council would now need to identify funds to complete the project and it is only thereafter that the cloakroom will become operational.

I shall request the Council to consider including the completion of the cloakroom as one of its projects to be carried out in the forthcoming financial year.

#### **SUPER CASH BACK GOLD POLICY HOLDERS - REPAYMENT**

(No. B/278) Mr D. Ramful (Member for Mahebourg & Plaine Magnien) asked the Minister of Financial Services, Good Governance and Institutional Reforms whether, in regard to the Super Cash Back Gold policy holders of the former BAI Co. (Mtius) Ltd., he will, for the benefit of the House, obtain from the National Property Fund Ltd, information as to the number thereof having selected repayment under Option 1 and Option 2 respectively, indicating –

- (a) the agreed amount of money and terms of repayment thereof, and
- (b) if those having selected repayment under Option 1 will be paid 20% of their invested capital by 30 June 2017, as undertaken by the Fund.

*(Withdrawn)*

#### **NHDC & MHC – INTEREST WAIVER**



(No. B/282) Mr P. Armance (First Member for GRNW & Port Louis West) asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the loans contracted by individuals, deriving monthly income not exceeding Rs 15,000, from the National Housing Development Company Ltd. and from the Mauritius Housing Company Ltd. respectively, he will, for the benefit of the House, obtain from the National Housing Development Company Ltd. and from the Mauritius Housing Company Ltd. respectively, information as to the number thereof having been subject to a waiver of the interests, as announced under item 315 of the Budget Speech 2016-2017.

**Reply:** I shall reply only for the National Housing Development Co. Ltd.

The Ministry of Finance and Economic Development has, in September 2016, informed the NHDC of the modus operandi set out to implement this Budget measure.

I am informed by the National Housing Development Co. Ltd that it has carried out an awareness campaign with 2,696 households having acquired an NHDC housing unit on credit and who were in arrears on or before the cut-off date that is, 29 July 2016.

449 households have called at the NHDC and they were informed of the eligibility criteria to benefit from this measure which, *inter alia*, includes –

- (i) that their monthly household income should not exceed Rs 15,000 at the time of the application for the waiver of interest, and
- (ii) that they settle all capital which are in arrears.

Thereafter, only three households have made formal requests to the NHDC to benefit from this budget measure. Two of them have already benefitted from a waiver of interests amounting to Rs 63,953 and Rs 49,544 respectively. The request from the third household for waiving interest amounting to Rs 45,603 is being finalised.

#### **BUDGET SPEECH 2016-2017 - HOUSING UNITS - CONSTRUCTION**

(No. B/283) Mr P. Armance (First Member for GRNW & Port Louis West) asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the construction and completion of 1,900 housing units of up to 50 square metres each budget as announced under item 312 of the Budget Speech 2016-2017, he will state where matters stand.

**Reply:** I wish to inform the House of the status of the construction of 1,900 housing units as announced in item 312 of the Budget Speech 2016-2017.

As at date –

- the construction of 317 housing units on 10 sites have already been completed;
- a total of 1,020 housing units on 16 sites are currently under construction. Out of these, the construction of some 580 housing units on 10 sites is expected to be completed by the end of this financial year and the construction for some 440 housing units is expected to be completed by February 2018;
- the contracts for the construction of some 228 housing units on 3 sites have been awarded in March 2017 and the works are expected to be completed by June 2018;
- as regards the construction of 206 housing units, the bids for the contract for works have already been evaluated. However, following a challenge from an aggrieved bidder the matter has been referred to the Independent Review Panel on 07 April 2017 and the ruling is awaited, and
- bids received for the construction of 78 housing units at Montagne Longue are currently being evaluated.

Furthermore, the NHDC Ltd has already appointed three consultants for the provision of design and supervision of the construction of some 1,000 housing units over 10 sites and associated infrastructural works.

#### **PORT – HEROIN - SEIZURE**

**(No. B/287) Mr A. Ganoo (First Member for Savanne & Black River)** asked the Rt. hon. Minister Mentor, Minister of Defence, Minister for Rodrigues whether, in regard to the recent seizure of 135 kgs of heroin in the port area, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to where matters stand as to the inquiry being carried out thereinto, indicating if the recent overseas mission undertaken by the Director of the National Security Service is linked thereto or to any other drug offence.

*(Withdrawn)*