ORAL ANSWERS TO QUESTIONS

CUSTOMS AND EXCISE DEPARTMENT - COMPTROLLERS OF CUSTOMS, STAFF, REVENUE COLLECTED, ETC

The Leader of the Opposition (Dr. N. Ramgoolam) (By Private Notice) asked the Deputy Prime Minister, Minister of Finance and Economic Development whether, with regard to the Customs and Excise Department, he will state –

(i) the total staff employed to date;

(ii) the names of all the Comptrollers of Customs since Independence, their salaries and other conditions of service;

(iii) the total revenue collected by the Department for each of the last 5 financial years;

(iv) if any assessment of the performance of the officers has been made since September 2000 and, if so, the findings thereof, and

(v) whether it has been established that the officers have not been successful in assessing and collecting revenue.

The Deputy Prime Minister: Mr Speaker, Sir, the total number of staff presently employed at the Customs Department is 597.

As regards part (ii) of the question, the names of the Comptroller of Customs since Independence, are as follows -

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Name of Comptroller of Customs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1968-74</td>
<td>(1) Mr H. Sabben</td>
</tr>
<tr>
<td></td>
<td>(2) Mr R. Maurice</td>
</tr>
<tr>
<td>1974-77</td>
<td>Mr Yves Joseph Appasamy</td>
</tr>
<tr>
<td>1977-80</td>
<td>Mr P. Maurice Pellegrin</td>
</tr>
<tr>
<td>1980-84</td>
<td>Mr Herbert Guy Stanley</td>
</tr>
<tr>
<td>-------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>1984-2002</td>
<td>Mr Sarawan Gunnoo</td>
</tr>
<tr>
<td>2002 to date</td>
<td>Mr Bert Cunningham</td>
</tr>
</tbody>
</table>

I can circulate some more information about their salaries and dates of appointment, etc. Their salaries and conditions of service are in accordance with the recommendations of the successive salary commissioners or the PRB as approved by Government. In the case of Mr Cunningham, in addition to his salary as Comptroller of Customs, he is paid an all-inclusive allowance of US$10,000 on account of his wide-ranging experience at the international level.

As regards part (iii) of the question, all revenue collected by all Revenue Departments, Customs & Excise Department are published in the Annual Report of the Treasury, which is laid down in the National Assembly.

As regards part (iv) of the question, a performance appraisal system has not yet been introduced in the public service.

However, the assessment of performance of officers in the public service is recorded in their confidential reports. Such reports are strictly confidential and their contents cannot be made known even to the officers concerned. It would therefore not be proper to communicate details of performance of individual officers in this House. Such information is meant primarily for the use of the Public Service Commission when it considers the recommendations of responsible officers for the filling of vacancies or for promotions.

For the reasons given to part (iv) of the question, it would not be proper to disclose details of performance of individual officers, whether it relates to performance in collecting revenue or performance in any other respect as impliedly requested in part (v) of the question.

I have, however, been informed that several officers are currently the subject of disciplinary proceedings, including interdiction.

**Dr. Ramgoolam:** First of all, I wish to ask the Deputy Prime and Minister of Finance if he can confirm that since Independence Mr Cunningham is the only non-Mauritian citizen to have been given the job of Comptroller of Customs?
The Deputy Prime Minister: Mr Deputy Speaker, Sir, unfortunately I don't know the nationality of all the previous Comptrollers of Customs, although I know some of them. But it seems that Mr Cunningham would be the first one.

Dr. Ramgoolam: It is a bit surprising that the Deputy Prime Minister said "it seems", I would have thought he would have known whether we are naming non-Mauritian citizens at top posts like this. Since I have not got the paper on the different salaries and conditions of service, can I ask the Deputy Prime Minister and Minister of Finance, whether he can give the salary and allowance of the last person he mentioned, that is, Mr Gunnoo?

The Deputy Prime Minister: First of all, just in reply to a remark that the hon. Leader of the Opposition has made to the effect that there are top serving officers who have served at the level of Comptroller of Customs, unfortunately I do not know those Comptrollers of Customs who were nominated in 1968, for example. That is why I said; "It seems that Mr Cunningham would be the first non-Mauritian to be serving at that level". I would like to table the details as far as the former Comptrollers of Customs are concerned, the years that they have been serving; their dates of appointment, their salaries, just to inform the House that Mr Gunnoo was drawing a salary of Rs33,435 per month. Therefore, Mr Cunningham, who has succeeded him, is drawing a salary, as I have just mentioned, of US$10,000, as whole package, including all the allowances.

Dr. Ramgoolam: Will the Deputy Prime Minister confirm that since 2002 Mr Gunnoo was drawing a salary of Rs35,435. Mr Cunningham is actually drawing nearly ten times that amount?

The Deputy Prime Minister: I do not know if it is ten times. We have to calculate. But he is getting much more. Mr Deputy Speaker, the figures speak for themselves. Let me again emphasise that the sum of $10,000 is inclusive of all the allowances and due to the fact, as I have mentioned, that Mr Cunningham is an international Consultant and because of his competence and capacity he has been paid all-inclusive salary and allowances.
Dr. Ramgoolam: Can the Deputy Prime Minister and Minister of Finance also tell us whether he gets any accommodation allowance, any petrol allowance and any other allowance?

The Deputy Prime Minister: As I have said, it is all-inclusive, but let me just fish out information from a question which will be coming later on. The salary for Mr Cunningham from 15.10.2002 to 14.10.2003, that is, for one year, Rs410,203.12. The hon. Leader of the Opposition has asked for the accommodation. So, the housing allowance is Rs171,774.90 for that period, for a year.

Dr. Ramgoolam: I would like to know whether he gets any other allowance such as petrol allowance and whether in his package, for example, he gets free air tickets with Air Mauritius and all this.

The Deputy Prime Minister: For the period 15.10.2002 to 14.10.2003 - bonus: Rs7,145.01; monthly allowance: Rs2,090,161.08; I have just mentioned the housing allowance; the petrol allowance: Rs71,460. URB fees: Rs51,000; gratuity: Rs623,060.99; air tickets: Rs86,000 making a total of Rs3,510,864.

Dr. Ramgoolam: Does the hon. Deputy Prime Minister agree that this package is in fact not ten times, but one hundred times the amount the previous Comptroller was getting? Am I right?

The Deputy Prime Minister: Sir, I have not mentioned ten times or one hundred times. It is the hon. Leader of the Opposition who is mentioning about how many times. I have given the figures, Mr Deputy Speaker, Sir. So, it is for everyone to calculate how many times it is more.

Dr. Ramgoolam: I did not say that the Deputy Prime Minister said that it is ten or hundred times. I am trying to calculate what Mr Gunnoo was getting, from what I understand, and what the Comptroller is getting now. It seems to be a huge difference - it is not ten times - because the Deputy Prime Minister mentioned Rs3, 510,000. Does he think that that kind of difference is justified between the last Mauritian citizen who was the Comptroller of Customs and this foreign person who is the Comptroller of Customs now?
The Deputy Prime Minister: Mr Deputy Speaker, Sir, I have said in my reply that because of the wide ranging experience of Mr Cunningham at the international level - he has been a Consultant - that is why he has been given this package. Probably the Leader of the Opposition thinks that this salary is not appropriate for an expatriate. Let me give the example, when he was himself the Prime Minister of this country, he had employed on a contract basis a Special Adviser by the name of Mr David Shattock..

(Interruptions)

The Deputy Speaker: Order!

The Deputy Prime Minister: The salary …

(Interruptions)

The Deputy Speaker: Order, please!

The Deputy Prime Minister: The salary of Mr Shattock - I won't go into the details - would amount to about $11,700 per month. If we compare, but we do not need to compare. I do not want to be mischievous, let us not compare. But just to remind the hon. Leader of the Opposition that this is the salary that was paid to Shattock. I am not disputing whether Shattock deserved to be paid so much or not; that is a different matter. But then, today the Leader of the Opposition is saying that so much is being paid!. We need expertise at that level and for that kind of competence and expertise we have to foot the bill.

Dr. Ramgoolam: In fact, Mr Shattock was never paid in dollars. So, I am surprised that he is mentioning dollars when he was never paid in dollars. Secondly, ..

(Interruptions)

In pounds sterling, not dollars.

(Interruptions)

But not the amount he is saying!
The Prime Minister: Keep cool!

Dr. Ramgoolam: Keep cool! You keep cool! You are colonising this country again, putting foreigners in every Department of this country! This is what they are doing!

(Interruptions)

That is what the Government is doing.

(Interruptions)

That is what the Government policy is! And we are going back to the colonial days! Can I ask him …

(Interruptions)

No, he was paid less than this amount! Ask the officers to give the details, we will compare. And he was an Adviser as you know! Can he say whether, in fact, the total revenue - because he has not given us, I think he has circulated it - over the last five years has actually increased?

The Deputy Prime Minister: Mr Deputy Speaker, Sir, first of all, two things in relation to what the hon. Leader of the Opposition has said. In this case maybe I have converted the salary into dollars, but I think that £95,000 is quite a lot of money! According to my calculation the conversion is good for the sake of comparison. But let me just also inform the House that the figure that I have mentioned concerning the salary of Mr Gunnoo relates in fact only to his salary and not to the other fringe benefits, like duty free car, petrol allowance, etc. which he derived.

The Leader of the Opposition has asked about the revenue. Again these are published and revenue must be taken in the context of GDP growth. One cannot look at revenue in isolation and say because it has increased, therefore, we can always conclude certain things. It has to be looked at in the context of GDP growth and GDP has been growing year by year and, therefore, it is quite natural and normal that revenue collected has been growing.
Dr. Ramgoolam: In fact, irrespective of the Director of Customs, the revenue has been increasing. May we know the reason why it was felt that we needed to have somebody who had that kind of experience, to be paid that amount of money if the revenue has been increasing?

The Deputy Prime Minister: I have replied, Mr Deputy Speaker, Sir, that he has been a Consultant in that field and because of his qualifications and wide ranging experience, we needed somebody of that calibre. We know in what situation the Customs was and, therefore, this Government is determined to put order there. That is why we have requested his expertise in the field of Customs.

Mr Dulloo: The hon. Deputy Minister has just referred to Mr Cunningham's expertise. Could we know how Government or the Customs proceeded in order to identify Mr Cunningham from the international scene and to bring him here?

The Deputy Prime Minister: As far as I can remember, he was in one way identified by the former Government which employed him as Consultant. Let me remind the Opposition that the creation of the Mauritius Revenue Authority emanated from the former Government.

(Interruptions)

In fact, the Finance Act of 1988 was amended to provide for the establishment of the Mauritius Revenue Authority.

(Interruptions)

I do not criticise the Opposition for that! It is good what they have done! They have chosen the right path, they wanted to put order in the house just as what we are doing right now. Therefore, the former Government decided to obtain the services of consultants for the review of the Revenue Authority and the different Revenue Departments. I would not go into the details, but just to sum up, the matter went to the Central Tender Board. An agreement for consultancy services for the Mauritius Revenue Authority project was signed on 30 May 2000 with PriceWaterHouseCoopers in joint venture with Lortie Associates Inc. and Cunningham & Associates from Canada.

(Interruptions)
Mr Deputy Speaker, Sir, when the former Government left, we identified Mr Cunningham as the right person to carry on with this process of reforms at the Customs.

**Dr. Ramgoolam:** Can the Deputy Prime Minister confirm that Mr Cunningham was a Consultant and not the Comptroller of Customs?

**The Deputy Prime Minister:** Mr Cunningham, in fact, has been recruited through the PSC following an international advertisement. He was interviewed and, therefore, recruited on that basis.

Mr Deputy Speaker, Sir, when I said earlier that his services had been retained by the former Government to come up as a Consultant with the Revenue Authority, I have to thank the former Government, because this has probably allowed Mr Cunningham to work here and to apply for the position which was advertised internationally in all transparency. The exercise was conducted by the PSC and he was recruited.

**Dr. Ramgoolam:** May I ask the Deputy Prime Minister whether - apart from not naming him as Comptroller of Customs - there was any plan for the Mauritius Revenue Authority to be staffed by non-Mauritian citizens and non-civil servants?

**The Deputy Prime Minister:** Unfortunately, the Leader of the Opposition could not probably have access to the report of the Consultants who had carried out this study at the initiative of the former Government. They have recommended that this Authority should be staffed with the best competencies, the best elements. Therefore, we have seen to it that the best candidate be recruited. In fact, as I have stated, the recruitment of Mr Cunningham was done by the PSC.

**Dr. Ramgoolam:** Can the Deputy Prime Minister confirm that, as far as the then proposed Mauritius Revenue Authority is concerned, there was no question of staffing it by non-civil servants?

**The Deputy Prime Minister:** This has not been, in fact, the recommendation, Mr Deputy Speaker, Sir. As I said, there is a lot to be said about the consultancy report that was handed over to Government. There
have been many recommendations and it has never been recommended that it should not be staffed by expatriates. Never!

Mr Dulloo: Mr Deputy Speaker, Sir, it is clear that Mr Cunningham came as a Consultant for the Revenue Authority and that, subsequently, he has been employed as Comptroller of Customs. May I ask the hon. Deputy Prime Minister what Mr Cunningham achieved from 2002 to date which Mr Gunnoo could not achieve from 2000 to 2002?

The Deputy Prime Minister: Mr Deputy Speaker, as I said, the PSC has carried out an exercise whereby there has been public advertisement both locally and internationally and anyone was entitled to apply for the job. There has been quite a number of people who have applied from the International level. We wanted, as an objective, to recruit a high calibre person to spearhead the reform process at the level of the Customs. I repeat again, this exercise has been done in full transparency by the PSC. I do not think I need to add any more on that.

Mr Hurnam: Would the hon. Deputy Prime Minister inform the House whether - irrespective of the qualifications of Mr Cunningham, as he is a public officer - he is entitled to make any press declaration coupled with a threat of resignation if the MRA would not be adopted by the House?

The Deputy Prime Minister: I have heard about a press interview that was given by Mr Cunningham. I have not taken notice of everything that he has said, but I will have a look at the press article and see what has been stated in that article.

Mr Hurnam: Mr Deputy Speaker, Sir, I undertake to supply a copy of the interview to the hon. Deputy Prime Minister.

Dr. Boolell: Will the Deputy Prime Minister state whether the recruitment of the two consultants by Mr Cunningham last year was not done through tender procedures and the amount of money that they made was more than Rs3 m. and that the two Consultants were from Canada?

The Deputy Prime Minister: Mr Deputy Prime Minister, this does not arise from the question. I remember that the hon. Member had come with a specific question on that in the past and I had replied. I do not have
Dr. Boolell: The question arises. We are talking of recruitment of consultants without any tendering procedures and the amount paid is more than Rs3 m.

The Deputy Speaker: Hon. Boolell, the Deputy Prime Minister has asked you if ever you need any additional information to this question, to come with a substantive question.

Dr. David: Mr Deputy Speaker, Sir, the Minister of Finance just said that he has learnt that Mr Cunningham has made a statement in the press. Can I, for the benefit of the Minister, lay this paper on the Table of the National Assembly? It clearly shows that Mr Cunningham has blackmailed Government! Not only threatening, but blackmailing Government!

The Deputy Speaker: Put your question, hon. Dr. David.

Dr. David: The question is: now that the Deputy Prime Minister is aware of this statement, will he read it and react to it later on?

The Deputy Prime Minister: Mr Deputy Speaker, Sir, no one, even Mr Cunningham, can blackmail this Government. We believe in what we are doing; we are determined. I won’t go into the details, because it will be the subject matter of debate later on, with the MRA Bill. I will just limit myself to say that either Mr Cunningham or whoever might want to say, we listen, but then we are determined, we have the will to act and we will be going ahead and do whatever is right for the country.

Mr Dulloo: Mr Deputy Speaker, Sir, since Independence, the practice has been to always have a Mauritian at the head of essential services like Customs and the Police, involving revenue, security, especially freedom and rights of the citizens.

(Interruptions)

To have expatriates as advisers, as consultants, be it for the Police or other essential services, but not employed in a substantive capacity, in order to run the daily affairs of the department. Therefore, may I ask the Deputy Prime Minister, how is it and why have all Mauritians failed, including Mr Gunnoo, in managing and running the Customs Department, that we should…
The Deputy Speaker: Order! Put your question, hon. Dulloo!

Mr Dulloo: Why is it that we should have recourse…

The Deputy Speaker: Order, please! Please take your seat! Hon. Dulloo, when I am on my feet, you should resume your seat. Hon. Members, would you please keep a little bit quiet, so that we can listen to the question of hon. Dulloo? I am also requesting the hon. Member to put his question and not make long statements.

Mr Dulloo: Since the practice for essential services, involving the rights of the citizens, the liberty and revenue, have always been to have expatriates only as consultants and advisers, how and why have the Mauritians at the head of the Customs Department failed, that we should, after having recourse to a Consultant, recommend to the PSC to employ him as Comptroller of Customs in order to run this essential service?

The Deputy Prime Minister: M. le président, c’est un coup de poignard dans le dos du Leader de l’Opposition que de dire des choses pareilles, étant donné que j’ai rappelé à l’Opposition, surtout au chef de l’Opposition que, lui-même étant Premier ministre à cette époque, avait retenu les services de David Shattock.

The hon. Member is talking about the rights of citizens, and we know that although Shattock was employed as Special Adviser, he was, in fact, running the show here, was doing the job of the Commissioner of Police. And, therefore…

I am not giving way!

Dr. Ramgoolam: The Deputy Prime Minister is misleading the House. He has to withdraw that.

The Deputy Speaker: Please, sit down! Hon. Leader of the Opposition, when the Deputy Prime Minister has the floor, you should let him speak.

Dr. Ramgoolam: I can raise a point of order!
The Deputy Speaker: Yes, you can raise a point of order.

Dr. Ramgoolam: Be careful! I am perfectly entitled to raise a point of order!

(Interruptions)

The Deputy Speaker: You can raise a point of order!

(Interruptions)

Hon. Leader of the Opposition, you can raise a point of order. There is no problem.

The Deputy Prime Minister: Mr Deputy Speaker, Sir, as I was saying, we all know that the services of David Shattock were retained as Special Adviser, but, in fact, he was running the show. In fact, he landed the former Government into such a mess that probably they would be rethinking again. Therefore, I don’t see any justification in the question of the hon. Member.

The Deputy Speaker: I am allowing a last question to the hon. Leader of the Opposition.

Dr. Ramgoolam: Can I ask two questions, Sir? First of all, I want to ask if no performance assessment has been done - I heard the hon. Deputy Prime Minister & Minister of Finance say that no performance assessment has been done – and therefore, on what basis are they saying that there have been non-performance and corrupt practices as one hon. Member has said?

The Deputy Prime Minister: Again, Mr Deputy Speaker, Sir, I have just replied that assessment is done through the traditional confidential report that each officer has to fill in, and it is the duty of the supervising officer and the Head of Department to fill in all the necessary remarks. Assessment is being done. It is not correct to say that there is no assessment at all.

(Interruptions)

Not assessment in the way the hon. Member has been saying! It is according to the confidential report. According to Civil Service Regulations, there is the confidential report of every officer. I have said in my reply that this report is, in fact, sent to the Commission and it is confidential. Therefore, it cannot be revealed.

Mr Paya: On a point of order, Sir. How can the hon. Member be so *sexiste* and talk about *robe de chambre rose* against an hon. Member of the
Assembly, thus imputing motives like that? *To pé cause contre créole! To ène raciste!*

**The Deputy Speaker:** Please take your seat, hon. Paya. I have not heard what the hon. Member has said. But Members are not allowed to make cross-talking. If you have anything to say, you should address the Chair.

**Dr. Ramgoolam:** Mr Deputy Speaker, Sir, according to what the hon. Deputy Minister has been saying, it’s as if there has not yet been any assessment - I don’t know what kind of assessment, no proof of corruption. The Comptroller of Customs had detected a massive fraud at the Mauritius Duty Free Paradise, with a shortfall of some Rs56 m., since 2002. Can he say if anyone has been brought to justice?

**The Deputy Prime Minister:** This has got nothing to do with the PNQ.