

ORAL ANSWERS TO QUESTIONS

CEMENT – PRICE & SUPPLY

The Leader of the Opposition (Mr N. Bodha) (*By Private Notice*) asked the Minister of Industry, Small & Medium Enterprises, Commerce and Co-operatives whether in regard to the importation of cement on the local market, he will –

- (a) for the benefit of the House, obtain from the State Trading Corporation, information as to –
 - (i) the consignments ordered and received and the price paid respectively by the Corporation and the private companies since January 2007;
 - (ii) the arrangements, if any, made between the Corporation and the private companies in relation to the storage, sale and distribution thereof;
 - (iii) whether the Corporation recently paid any compensation in connection therewith; and
- (b) state the policy relating to the price structure and the measures taken to ensure a regular supply thereof for the forthcoming months.

The Minister of Industry, Small & Medium Enterprises, Commerce and Co-operatives (Dr. R. Jeetah): Mr Speaker, Sir, with your permission, I shall reply to PQ B/No. 65 together with the Private Notice Question.

Allow me, Mr Speaker, Sir, to wholeheartedly thank the hon. Leader of the Opposition for giving me the opportunity to shed light on this issue of national interest which has unfortunately been blurred by certain quarters. In fact, I had planned to make a statement on this issue. I am confident that the House and the nation will stand enlightened and clarified on this matter.

Mr Speaker, Sir, we are in the presence of a case wherein companies are more concerned with maximisation of its profits rather than ensuring regularity of supply. Today, Government stands accused for stepping in the market as the private sector failed to fully assume its role. We could choose to be silent spectators then. But as a Government, we would have failed in our duty to ensure the survival of the construction industry. You will appreciate that it is the duty of any responsible Government to intervene in the market through public agencies to ensure security of supply. Allow me to inform the House that this Government will not hesitate to intervene again in the future if the situation so demands.

Mr Speaker, Sir, I wish to assure the House that the decision of the STC to import one ad-hoc consignment has been made in the most transparent manner. I will read to the House the names of the twenty-four suppliers from whom quotations were sought and prices received. I shall elucidate the whole process in which the purchase was made. We have faith in our institutions and we shall do nothing contrary to principles of good governance and accountability. The House will further appreciate that, in the same spirit of good governance, this Government will, at latest June 2007, successfully clear Rs2 billion of debts at the STC, so eloquently left behind as a symbol of good governance by the previous Government.

(Interruptions)

Mr Speaker: Order! Order!

Dr. Jeetah: Mr Speaker, Sir, I am informed that the purchase of cement by STC is usually done through an international tender exercise. The hon. Member may wish to note that, prior to 2003, 50% of the importation of cement was made by STC. However, in 2004, the then Government decided to reduce the share of STC importation from 50% to 25%. It is to be highlighted that this Government took the decision to increase STC's share from 25% to 33% as from January 2006. This measure was taken in order to obtain competitive prices through bulk discount. The discounted price of cement was US62.80 per ton in 2005 down to US60.70 in 2006.

With regard to part (a)(i) of the question, STC has ordered the following consignments as from January 2007 -

Name of Consignment	Arrival date	Quantity imported	CIF Price USD/MT
African Impala	12.01.07	23,669	60.70
Helvetia V283	03.02.07	15,225	74.15
Asian Queen – the consignment that STC bought	13.02.07	19,773	73.50
Glory Pacific 242	21.02.07	8,332	74.15

The price of cement over the years has evolved as follows -

Period	CIF US/MT	Exchange Rate MUR/USD
Jan 2002	31.15	31.65
Jan 2003	37.00	29.60
Feb 2004	56.21	25.97
Feb 2005	62.80	28.80
July 2006	60.70	31.00
Jan 2007	67.15	33.55

Consignments are ordered from supplier as per awarded contract after consultation with the cement companies in order to ensure proper stock management and regular supply.

The cement companies had made a request to Government for an increase in their gross margin.

A meeting was held at the STC with representatives of Lafarge (Mtius) Cement Ltd and Holcim (Mtius) Ltd on 12 January 2007 whereby requests were made by both operators for an increase in the gross margin and the implementation of an Automatic Pricing Mechanism exercise for

price fixing of cement. They also said that, as at that date, they had not ordered any consignment and that they were waiting for the decision of Government with regard to gross margin, after which they would be able to clarify their position concerning import of cement.

On the 17 January 2007, STC was instructed to make arrangements to ensure that there is no shortage of cement in the country.

On 20 January 2007, the price structure became effective. Government had decided to increase the price of bag of cement by 14.7%, instead of 21% as requested by the two companies.

On 21 January 2007, a meeting was held at the STC with representatives of Lafarge. STC was informed that Lafarge would not place any order for any consignment of cement and that the supply of cement in the country was being left to STC.

On 22 January 2007, I personally chaired a meeting with Lafarge and Holcim at my Ministry. Mr Rafai of Lafarge and Mr Pascal Naud of Holcim explained that they were unsatisfied with the quantum of the price increase. Both said that no order of cement was placed by either company. Both were of the view that the country would witness cement shortage as from second week of February. I informed Lafarge and Holcim that STC would take necessary actions to prevent any shortage of cement on the local market.

The issue of loss incurred on foreign exchange was referred to a technical committee comprising of officials of my Ministry and this is a routine work that they do all the time together with the STC. Both Lafarge and Holcim were present in this technical committee. As I said, this is a normal exercise that used to be carried out so as to make provisions for losses incurred by either STC or the cement companies on fluctuation of exchange rates.

Consequently, on the same day, STC contacted Marine Cement Ltd, the supplier for delivery of cement beginning of February 2007. *Le Leader de l'opposition doit bien comprendre cela.* Marine Cement had obtained the contract. So, STC contacted them for them to supply cement. Marine Cement informed STC that the notice was too short and that they could only supply by the end of February, that is, *il y aurait une situation de*

rupture de stock. Such a situation would have meant that there was definitely going to be a shortage of cement and this could have led to paralysis of the construction activities in the country for at least three weeks. *Cela est un minimum!* Following the new price structure which was effective as from 20 January 2007, the cement companies at a meeting held at the STC on 21 January 2007 informed that they would not be ordering any consignment of cement for their account and that the supply of cement in the country was left to the STC. Consequently, STC searched for cement suppliers from STC database and also from internet based search. Out of 24 firms which were contacted, only 5 firms had responded.

Mr Speaker, Sir, I will list the firms that were contacted.

Bagged Cement

- 1 Global Trade Investment Service
2. Allindo International
3. Import & Export Co
4. HC Trading
5. Emirates Trading Agency
6. Builders World
7. Sam Holdy Enterprises
8. JKF International
9. Egyptian Cement Company
- 10 Binani Cement group
- 11 ACC Cement Company
12. Ambuja Cement Company
- 13 Cemex Company (UK)
- 14 Cement Australia
- 15 Jatayu International
16. Grand Group
17. Pretoria Portland Cement

Cement Bulk Suppliers

18. Marine Cement Ltd
19. Itochu Trading
20. HC Trading
21. Bulk Traders International
22. Holcim International
23. Elldex Packaging Ltd
24. Atlantic Trading AS

STC managed to secure two spot cargoes of 20,000 MT each from Emirates Trading Agency LLC at the CIF price of USD 73.50/MT for delivery on 13 February 2007 and the first week of March 2007. However, as this supply situation was back to normal, the second spot cargo was cancelled, but the CIF price of USD 73.50/MT, price which was below the contract price of USD74.15/MT was maintained. This order has therefore resulted in a savings of around Rs430,000 to STC.

On 23 January 2007, STC informed both cement operators that the Corporation had managed to secure a total of 4 consignments with delivery dates and cargo size as follows -

- cargo of 20,000 MT for delivery around the 13.02.2007 (spot cargo)
- cargo of 8,300 MT for delivery 18-23.02.2007 (Marine Cement)
- cargo of 17,500 MT for delivery around 17-22.02.2007 (Marine Cement)
- cargo of 2,000 MT for delivery end of February (spot cargo)

On 24 January 2007, Lafarge informed STC that they are ordering a consignment with delivery early February 2007 and as such they will not be in a position to receive the spot cargoes from STC.

On 25 January 2007, Marine Cement informed STC that they had managed to secure a cargo for delivery 03 February 2007 and they phoned at the Corporation and requested that the cargo be taken from them and to refuse the offer for spot cargoes. Marine Cement even offered to buy the second spot cargo (delivery first week of March) from STC's supplier.

On 25 January 2007 - very late, I must say - Holcim informed STC that they are receiving a cargo of 23,000 MT for delivery on 07 February 2007 and that they will not be in a position to receive the spot cargoes ordered by STC.

In regard to part (a) (ii), it has been the practice for all bulk cement imported to be channeled through the silos of Holcim and Lafarge as per the market share of each company. The unloaded fee has been catered for in the price structure of cement. Storage, packaging and distribution and sales are the responsibilities of the two cement companies.

Prior to July 2006, the price of bulk as well as bag cement were the same. At my personal request, Government decided to segregate the bulk purchase of cement since July 2006 and the price structure is applicable for only bag cement.

In regard to part (a) (iii) of the question, I have been informed that the STC has not paid any compensation to the cement companies. It is to be noted that the cement price structure makes provision for “Recovery of Exchange Loss” by cement companies and STC due to fluctuation in exchange rate. This has been the practice since 1987. A setting-off exercise was carried out prior to July 2005 and a similar exercise has been carried out in February 2007.

In regard to part (b) of the question, I am informed that the STC and the cement companies have a forward shipping schedule that would ensure a regular supply of cement for the forthcoming months.

It is not proposed to make any changes in the present price structure. However, my Ministry is coming up with the Competition Bill so as to encourage a free market environment for the benefit of consumers.

To end, Mr Speaker, Sir, I would like to point out that the STC is the largest trading entity of the country embracing an annual turnover of Rs26 billions. It has taken less than two years to clear off a debt of Rs2 billions left by the previous Government. With such a bad record of the previous Government, I fail to understand how the Leader of the Opposition has any moral right to give any lesson to this Government.

(Interruptions)

Mr Speaker: Order! Order, please!

Mr Bodha: Mr Speaker, Sir, in view of the fact that the Minister said that the STC was instructed on 17 January to order 20,000 tons of cement, may I ask the hon. Minister who instructed the STC and whether there was a proper procedure exercise carried out at the level of the STC Board?

Dr. Jeetah: Mr Speaker, Sir, the Cabinet was informed and the Commerce Division of my Ministry instructed the STC to make sure that there was no shortage of cement. The STC had to take the measures that needed to be taken to ensure provision of cement. As regards the procedures, I have just listed 24 companies that were contacted and through that the best price was ...

(Interruptions)

Mr Speaker: Order!

Mr Bodha: Mr Speaker, Sir, can we have the date on which the Board of the STC approved the purchase of the consignment of 20,000 tons of cement?

Dr. Jeetah: Mr Speaker, Sir, the Board has been informed. I must say, Mr Speaker, Sir ...

(Interruptions)

Mr Speaker: Order, please! Members should listen well to the answer!

Dr. Jeetah: It was a Cabinet decision. The hon. Leader of the Opposition needs to understand the urgency of the matter.

(Interruptions)

Mr Speaker: The question is about the date on which the Board of the STC decided to approve the purchase.

Dr. Jeetah: I can provide the date, but I don't have it with me. The Board has been informed.

(Interruptions)

Mr Speaker: Order!

Mr Bodha: Mr Speaker, Sir, the Minister is unable to give the date on which the Board approved and he had a *lapsus révélateur*. He said 'informed'. When was the offer to buy approved by the Board? Was it after the order had been made or before?

Dr. Jeetah: What is the question, please?

Mr Bodha: When was the consignment approved? Was it after the order had been placed or before?

Dr. Jeetah: The information I have here is that the Ministry instructed on 17 January.

(Interruptions)

Mr Speaker: Order, please. Listen to the answer! Order!

Dr. Jeetah: The information I have here is that the Ministry instructed the STC on 17 January.

Mr Bodha: My question is not, Mr Speaker, Sir, on the day the STC was instructed. My question is: when was the matter raised at a meeting of the Board of the STC? Was it before the order had been placed or was it after?

Dr. Jeetah: Mr Speaker, Sir, the hon. Leader of the Opposition needs to understand that this has been the current practice with the STC be it by this Government or the previous one.

(Interruptions)

Mr Speaker: Order!

Dr. Jeetah: Can I take three examples, Mr Speaker, Sir? I have two cases where STC ordered petroleum products outside the tendering procedures. Mr Speaker, Sir, in this case, the STC made a saving of Rs430,000.

(Interruptions)

They have to listen!

Mr Speaker: Order! Order!

(Interruptions)

Dr. Jeetah: Let me give information on two previous cases in January 2005.

(Interruptions)

Mr Speaker, Sir, in January 2005, the General Manager of STC informed the Board that the January consignment from ADAPS – I am reading from the Minutes of Proceedings – finally arrived with ten days' delay. In the meantime the STC secured a cargo from Réunion Island and, Mr Speaker, Sir....

(Interruptions)

Mr Soodhun: Mr Speaker, Sir, on a point of order, a question has been put and we expect to have the answer because there are only five minutes left.

(Interruptions)

Mr Speaker: I have so many times repeated in the House that, although I do not have any control on answers of Ministers, answers must be relevant to questions which are put.

Dr. Jeetah: This answer shows the current practice that prevails at the STC.

Mr Bodha: Mr Speaker, Sir, let us continue with the Asian Queen saga. Can he confirm that, in fact, there was a Board meeting after the order had been placed and that three officers who were members of that Board did not approve that the purchase should be done in the way it was done and that the procedure was not followed?

Dr. Jeetah: Mr Speaker, Sir, I am informed that the covering approval was given on 22 February.

Mr Bodha: Can he lay the Minutes of the Board meeting where this purchase was approved, Mr Speaker, Sir?

(Interruptions)

Mr Speaker: Order!

Dr. Jeetha: Mr Speaker, Sir, I do not have the information with me, but I have to consult the legal aspect of it. Personally, I have no problem, if this can be done, I will do so.

(Interruptions)

Mr Bodha: I would like to know whether the approval of the Ministry was obtained or was it an approval of the Minister and whether the Minister informed Cabinet that he was taking that decision?

Dr. Jeetah: I did mention and let me go through my file ..

Mr Speaker: May I draw the attention of the House that discussions having taken place in the Cabinet cannot be revealed in the House and for that matter by a Minister in Cabinet.

Dr. Jeetah: I said that I did inform Cabinet, Mr Speaker, Sir.

Mr Bodha: May I ask the hon. Minister whether a brief was requested by the Prime Minister's Office on the matter?

Dr. Jeetah: Sir, I talk to my Prime Minister all the time.

(Interruptions)

Mr Bodha: May I ask the hon. Minister whether there was a brief sent by himself to the Prime Minister's Office?

(Interruptions)

Dr. Jeetah: This is a confidential matter between myself and the Prime Minister.

(Interruptions)

Let me speak, Mr Speaker, Sir!

Mr Speaker: Let the Minister answer first!

Dr. Jeetah: I am not willing to come and divulge to the House all the conversations I have with the Prime Minister. I will never do that.

(Interruptions)

Mr Speaker: Order!

Mr Bodha: May I ask the hon. Minister, Mr Speaker, Sir, whether an officer from his Ministry sent a letter to the Prime Minister's Office saying that the Ministry had not been involved in the consultation for the approval of that consignment?

Dr. Jeetah: If the Leader of the Opposition has such an information, he could table it!

Mr Bodha: Mr Speaker, Sir, there was a letter from a high officer ..

Mr Speaker: Can I remind the hon. Leader of the Opposition that he cannot make a statement at Question Time nor volunteer information. He can only put questions.

Mr Bodha: Let us come now to the consignment itself. In an answer to a PNQ on 26 January, the hon. Minister said that Lafarge is bringing cement on 04 February. If the consignment is to arrive on 04 February, it must have been placed on 01 January. How can he come and say in Parliament today that at a meeting in late January the private companies had come and told him that no order had been placed? How can he reconcile these two facts?

Dr. Jeetah: I have the notes of meetings here and I can read it if the hon. Leader of the Opposition so wishes. Let me read the notes of meeting

held at my Ministry and I happened to have chaired this meeting because there was an urgency. I read -

‘6. As far as the supplier of cement was concerned, Mr Rafai stated that the stock of cement available to supply the usual clients will last up to 10 February 2007.’

And further -

“The Minister assured the company that there would not be any shortage of supply of cement on the local market as the STC had taken appropriate measures by ordering cement that may reach Mauritius by mid-February”

And the last point –

“Both operators ..

(Interruptions)

Mr Speaker, Sir, that is very important and they have to listen to this!

Mr Speaker: Order, please.

“Both operators stated that in any case it was too late to place orders to avoid any shortage.’

Cela est très important, Mr Speaker, Sir, that both operators at that time said that the harm was done and it was too late, which was not true.

(Interruptions)

Mr Bhagwan: Can the Minister inform the House whether he planned initially to visit Dubai in connection with that particular purchase and which mission was rejected by the Minister of Finance and whether he decided upon himself to send the Director of the STC to Dubai and, if yes, was Government informed and the Prime Minister’s approval obtained prior to the visit of the Director of STC?

Dr. Jeetah: Mr Speaker, Sir, the hon. Member is completely wrong. He has got false information.

(Interruptions)

Mr Speaker: Order, please! Order, I said!

Mr Bodha: In view of the fact that there was no tender exercise for the 20,000 tonnes and procedures were not followed, will the hon. Minister

accept for the sake of good governance and transparency that there should be a Commission of Enquiry on this matter?

(Interruptions)

Mr Speaker: Order! Order! Order, please!

Dr. Jeetah: Mr Speaker, Sir, allow me to convey my part to the answer. The hon. Leader of the Opposition has the very bad habit of not listening to answers. I have mentioned the circumstances through which this actually happened. I did mention that the two companies said they would not order, that it was too late to order and on 10 February there would have been a disruption in the supply of cement.

(Interruptions)

Mr Speaker, Sir, they also asked for an increase in the margin....

(Interruptions)

Mr Speaker: Order, please!

Dr. Jeetah: Mr Speaker, Sir, the two companies asked for an increase in the margin and it was rejected. They also asked for the setting up of an APM, which did not take place. I did explain the urgency and 24 companies were contacted through proper procedures.

Mr Bodha: May I ask the hon. Minister whether before the meeting which he chaired with Lafarge and Holcim, there was an outstanding debt of Rs100 m. on behalf of Lafarge owing to STC?

Dr. Jeetah: Mr Speaker, Sir, they are completely wrong....

Mr Speaker: The hon. Minister should answer the question first and then explain, please.

Dr. Jeetah: I have to say that they are wrong...

(Interruptions)

Mr Speaker: Order!

Dr. Jeetah: Mr Speaker, Sir, allow me to shed some light on this issue. It is current practice through the Exchange Loss Recovery Account to offset differences in fluctuations of the dollar and, as I said initially, this has been current practice since 1987. Let me give you two examples. On 17 May 2005, it was confirmed that a sum of Rs29,355,974 is due to Lafarge from the Cement Price Equalization Account. It was to be refunded as soon as funds were available.

Let me give another example. On 26 April 2005 – and I recall that the then Prime Minister was hon. Bérenger and the Leader of the MSM was the Minister of Finance – on an exchange rate fluctuation, Rs20,859,194 were refunded to Holcim. That is the common practice in this business. Whenever there is a fluctuation, either STC owes or a company owes and we have to make adjustments.

Mr Bhagwan: Can the hon. Minister confirm to the House whether one Mr Lan Hing Choy Ah Fat, who is also the Treasurer of the Mauritius Labour Party, attached to the Ministry.....

(Interruptions)

Mr Speaker: Order! Order!

Mr Bhagwan: *Gagne di mal quand mo dire sa!*

Mr Speaker : We are losing time, hon. Bhagwan! Don't interrupt!

(Interruptions)

Order!

Mr Bhagwan: I'll repeat my question, Mr Speaker. Can the hon. Minister inform the House whether one Mr Lan Hing Choy Ah Fat, who is also the Treasurer of the Mauritius Labour Party, attached to the Ministry has participated in all the discussions....

(Interruptions)

Mr Speaker: Order!

Mr Bhagwan: It is not my problem. I am here to defend the public!

Mr Speaker: Order!

(Interruptions)

Mr Bhagwan: What is the problem? Listen!

Mr Speaker: Order!

Mr Bhagwan: I am paid to do my job! I am paid by the public fund and I will do my job, whether you like it or not!

Mr Speaker: Order!

(Interruptions)

Mr Bhagwan: I am paid to do my job! I am an elected Member here!

(Interruptions)

Mr Speaker: Order! Order, please! Order! Hon. Bhagwan, I am on my feet! Order, please!

(Interruptions)

Order! Order, I said! Order, hon. Bhagwan! If you continue like this, I'll ask you to leave the House! You have to address the Chair and not to others. Put your question now! I won't allow any interference!

Mr Bhagwan: Can the hon. Minister inform the House whether that gentleman – I won't mention his name again.....

Mr Speaker: What is the question?

Mr Bhagwan: I would like to know whether that gentleman, who is the Treasurer...

Mr Speaker: You have already said it, you should put your question. I won't allow you to continue on that line. The question should be put straight.

Mr Bhagwan: I would like to know whether that gentleman participated in all the discussions insofar as the purchase is concerned?

Dr. Jeetah: Mr Speaker, Sir, in the past it used to be common practice for Mr Desvaux to ...

(Interruptions)

Mr Speaker: Order! Order! Answer the question, please!

Dr. Jeetah: Mr Speaker, Sir, with your permission, I have spoken to officers at the Ministry, and I understand it used to be the common practice for Mr Desvaux to call up at all meetings...

(Interruptions)

Mr Speaker: Order! Hon. Mardemootoo, put your question, please!

Mr Mardemootoo: I understand that the Ministry wants to see the forest and not the tree. May I ask the hon. Minister what would have happened to the country if this decision to import cement had not been made?

(Interruptions)

Mr Speaker: Order! Order!

Dr. Jeetah: Mr Speaker, Sir, we all know ...

(Interruptions)

Mr Speaker: Hon. Bhagwan, I said Order!

Dr. Jeetah: Mr Speaker, Sir, we all know the importance of cement as a strategic commodity for this country. We also know that there is going to be a booming in the industry because of the step that this Government has taken.

(Interruptions)

Had we not taken the step we have taken, we would have been down on our knees without any cement

(Interruptions)

Mr Speaker: A last question from the hon. Leader of the Opposition. I ask the hon. Minister to sit down!

Mr Bodha: We have seen the blatant incompetence of the Minister...

(Interruptions)

Mr Speaker: If the Leader of the Opposition has anything to say about the competence or incompetence of the hon. Minister, he has to come with a substantive motion.

Mr Bodha: Mr Speaker, Sir, may I ask the hon. Minister how long the Asian Queen saga lasted in the harbour? How much it cost the STC as demurrage fees and on what condition Lafarge and Holcim accepted to redistribute that consignment?

Dr. Jeetah: Mr Speaker, Sir, I don't think the hon. gentleman is able to make any comments on my competence.

(Interruptions)

Mr Speaker: Hon. Minister, please sit down! I am on my feet! I have already drawn the attention of the hon. Leader of the Opposition on this matter and there is no need for you to make any comment.

(Interruptions)

Order, I said! Order!

Dr. Jeetah: Mr Speaker, Sir, for the consignment, I have some dates. It arrived on 13 February and it left on 04 March. *Ce qui est très important, M. le président* - the hon. Member should listen to it - there has not been a single extra cent paid to the supplier and a saving of Rs430,000 was made.

(Interruptions)

Mr Speaker: Time is over! I would like to inform the House that I have been advised that PQ. No. B/23, addressed to Dr. the hon. Prime Minister, has been withdrawn. PQ. B/56 will now be answered by the hon. Prime Minister instead of the Minister of Arts and Culture. It will be

answered at the end of Questions addressed to the Prime Minister, time permitting.

Questions addressed to the hon. Prime Minister!

MBC – EMPLOYEES – CAR LOAN FACILITIES

(No. B/1) Mr L. Bundhoo (Second Member for Montagne Blanche and GRSE) asked the Prime Minister, Minister of Defence & Home Affairs, Minister of Civil Service & Administrative Reforms and Minister of Rodrigues & Outer Islands whether he will, for the benefit of the House, obtain from the Mauritius Broadcasting Corporation, information as to the number of employees who were granted car loan facilities for the last five years and who have subsequently either left the Corporation or proceeded on leave without pay, indicating if –

- (a) these loans have been settled, and
- (b) any outstanding balance has been written off and, if so, the details thereof.

The Prime Minister: Mr Speaker, Sir, I am informed by the Mauritius Broadcasting Corporation that 125 employees were granted car loan facilities during the last five years, out of whom four have resigned, three have proceeded on leave without pay and one is on permanent transfer. These eight persons are still repaying their loans by monthly instalments.

In addition, two other employees who have resigned have only refunded part of their loans and have subsequently discontinued payment. The Mauritius Broadcasting Corporation has initiated legal action to recover the outstanding amounts.

As regards part (b) of the question, I am informed that an amount of Rs50,000 was written off in respect of one employee who passed away in 2002. However, a balance of Rs130,000 has already been settled by the wife of the late employee.

MBC – PRIVATE PRODUCTIONS - POLICY

(No. B/2) **Mr L. Bundhoo (Second Member for Montagne Blanche and GRSE)** asked the Prime Minister, Minister of Defence & Home Affairs, Minister of Civil Service & Administrative Reforms and Minister of Rodrigues & Outer Islands whether he will, for the benefit of the House, obtain from the Mauritius Broadcasting Corporation, information as to –

- (a) its policy regarding private productions and their broadcast on its channels;
- (b) if some of its equipment have been used in those private productions, and
- (c) if employee/s on its establishment or under contract are equally working for the private production houses.

The Prime Minister: Mr Speaker, Sir, I am informed by the MBC that it is the policy of the Corporation to encourage local production. Private parties are given the opportunity to put up performances for the Mauritian public through the MBC/TV channels. Contractual arrangements exist between the MBC and the private parties to produce such programmes on agreed terms and conditions.

As regards part (b) of the question, I am informed that it is not in the policy of the MBC to give its equipment to private parties for their production, unless it is a co-production and this forms part of the terms of the contract.

In so far as the last part of the question is concerned, the MBC has informed that it is not the policy of the MBC to allow employees on its establishment or those under contract to work for private production houses unless it is a case of co-production and forms part of the contractual agreement.

Mr Bundhoo: Mr Speaker, Sir, may I ask the hon. Prime Minister what is the percentage of local production that is being broadcasted at the MBC/TV?

The Prime Minister: In fact, I only have figures percentagewise on a daily basis. For MBC 1, it is 9.54%; MBC 2, it is 3.83%; MBC 3, it is 4.6%.

Mr Bundhoo: Mr Speaker, Sir, I would like to ask the hon. Prime Minister whether he is aware of the revenue derived from these local productions.

The Prime Minister: If the hon. Member wants to know the total revenue, I will have to check what actually is the total revenue.

Mr Bundhoo: Mr Speaker, Sir, may I ask the hon. Prime Minister to inquire whether any equipment of the MBC/TV, especially equipment for recording horseracing, has been used to convert into DVD and sold to a private party?

The Prime Minister: I have checked, Mr Speaker, Sir. I am informed that the MBC management says that it is not the practice, but, in fact, the Mauritius Turf Club does do that. Whether it is that which is being sold, I am not sure. I'll have to inquire.

Mrs Hanoomanjee: Mr Speaker, Sir, can the Prime Minister check whether the cameramen and technicians of the MBC are, in fact, working on private productions and not on co-productions?

The Prime Minister: As I said, unless it is on the terms and conditions of the contract. If the hon. Member gives me the names, I will certainly look into it.

MR A. H. – ARREST - SSR INTERNATIONAL AIRPORT

(No. B/3) Miss K. R. Deerpalsing (Third Member for Belle Rose and Quatre Bornes) asked the Prime Minister, Minister of Defence & Home Affairs, Minister of Civil Service & Administrative Reforms and Minister of Rodrigues & Outer Islands whether he will, for the benefit of the House, obtain from the Commissioner of Police, information as to whether one Mr A. H. was arrested in 2006 at the Sir Seewoosagur Ramgoolam

International Airport for alleged smuggling or for any other offence and, if so, will he give details thereof.

The Prime Minister: Mr Speaker, Sir, I am informed by the Director of Customs that on 03 November 2006, one Mr A. H. H., a Mauritian national, arrived at the Sir Seewoosagur Ramgoolam International Airport from Johannesburg after a business trip. Whilst he was passing through the Green Channel (Nothing to Declare), he was randomly sent by a Customs Officer into the Red Channel for inspection of his luggage. The Customs Officers found in his luggage a box containing 150 pairs of sun glasses, having a commercial value of about Rs200,000. The sun glasses were secured by the Customs Officers.

A case for the offence of “failing to declare commercial goods” was registered against him.

Mr A. H. H. was requested by the Mauritius Revenue Authority to pay VAT amounting to Rs57,583 and a penalty of Rs441,468 on the goods seized. He accepted to pay the total amount which he settled on 06 December 2006.

The matter is, therefore, considered closed by the Customs Department.

Miss Deerpalsing: Mr Speaker, Sir, may I ask the hon. Prime Minister whether this gentleman is a member of a political party?

(Interruptions)

The Prime Minister: Is he the treasurer? I am not sure, but he is a member of their political party.

(Interruptions)

Mr Speaker: Order! Order, hon. Bhagwan!

MR T. R. - PALMA – DEATH – INQUIRY

(No. B/4) Miss K. R. Deerpalsing (Third Member for Belle Rose and Quatre Bornes) asked the Prime Minister, Minister of Defence & Home Affairs, Minister of Civil Service & Administrative Reforms and Minister of Rodrigues & Outer Islands whether, in regard to the death, in December 2004, of one Mr R.² of Rotin No. 1, Palma, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to whether any inquiry has been carried out thereinto and, if so, the outcome thereof.

The Prime Minister: Mr Speaker, Sir, I am informed by the Commissioner of Police that on 19 December 2004, it was reported at the Midlands Police Station that Mr T. R., aged 45, self-employed and residing at Morcellement Ramdanny, Vacoas, had gone hunting at Chassée Maurel, Midlands, in company of three persons. At 1830 hours, after the hunting party was over, while Mr S. D., one of the three persons accompanying him, was placing his rifle back in the pouch, a bullet went off and accidentally killed Mr T. R.

In the course of the Police enquiry, on 20 December 2004, Mr S. D. was arrested and provisionally charged for murder before the District Court of Curepipe.

Upon the advice of the Director of Public Prosecutions on 24 December 2004, the provisional charge of murder was struck out and a provisional charge of manslaughter was lodged against him.

On 24 December 2004, the accused was released on bail upon furnishing a surety of Rs10,000 and a recognizance of Rs50,000.

On completion of enquiry, the dossier was forwarded to the Director of Public Prosecutions and on 03 July 2006, the latter advised prosecution against accused for “Involuntary Homicide by negligence” in breach of section 239 (10) of the Criminal Code before the Intermediate Court.

The case was lodged on 29 August 2006 and is coming for trial on 08 June 2007 before the Intermediate Court.

Miss Deerpalsing: Mr Speaker, Sir, may I ask the hon. Prime Minister whether in these kinds of cases where the mother of the deceased is still grieving and in distress, the Police could have a customer service desk to inform the family of what is happening?

The Prime Minister: Mr Speaker, Sir, that has not been the practice, but, in fact, I agree with the hon. Member that, at least, the family should have been informed. I think this will have to be remedied.

FOREIGNERS – RESIDENCE PERMIT

(No. B/5) Mr M. Dowarkasing (Third Member for Curepipe and Midlands) asked the Prime Minister, Minister of Defence & Home Affairs, Minister of Civil Service & Administrative Reforms and Minister of Rodrigues & Outer Islands whether he is aware that there are foreigners who are staying in Mauritius without a residence permit and if so, will he state –

- (a) the number thereof, and
- (b) the actions taken by the Authorities so far.

The Prime Minister: Mr Speaker, Sir, residence permits are granted, on application, to non-citizens in accordance with section 9 of the Immigration Act.

I am informed by the Commissioner of Police that to date, 792 foreigners are staying illegally in Mauritius.

With regards to part (b) of the question, I am informed by the Commissioner of Police that non-citizens who stay illegally are tracked down by the Tracking Team of the Passport and Immigration Office with the help of the local Police and other units of the Police Force, such as ADSU and CID.

A list of the foreigners staying illegally in Mauritius has been distributed to all Police Stations and the assistance of all branches of the Police Force has been sought to trace out these persons.

With a view to having a more efficient control on foreigners entering and leaving Mauritius, a new project for the Immigration and Border Control Systems is being implemented. This project will revamp the whole IT structure at the Passport and Immigration Office by allowing an instant retrieval of information.

In spite of the measures mentioned, I have also requested for a review of the present legal framework governing immigration to allow for better control and to tighten penalties for non-citizens overstaying in Mauritius and for those who hide them or keep them in their homes, without giving the information back. And the administrative set up of the Passport and Immigration Office will be strengthened to increase its efficiency and performance.

Mr Dowarkasing: Mr Speaker, Sir, is the hon. Prime Minister aware that some of these foreigners are staying as long as two years in this country? Why is it that the Passport and Immigration Office has not reacted so far whereas we have seen in other cases, especially concerning religious priests, they were taken to task immediately after the expiry of their residence permit?

The Prime Minister: In fact, the Police are arresting people. I have given the figures of those who are staying illegally, but, in fact, since 01 January of this year, 48 people have been arrested by the Tracking Team and repatriated and this happens every year. I have the number here. If the hon. Member wants, I can give it. One of the problems that we have, Mr Speaker, Sir, is that they give an address when they come in and then they change it. They go and stay with somebody else and the latter never tells the Police and we don't know where they are and we have to look for them. That is one of the problems. But this has been happening every single year. I have the table with me.

Mr Dowarkasing: Mr Speaker, Sir, may I ask the hon. Prime Minister one last question? Is he aware that some of these foreigners are even working in the country?

The Prime Minister: I would have thought that if they are working for some company, it would have been much easier to track them. That is my feeling, but, in fact, the Police are looking into it.

LAW AND ORDER

(No. B/6) **Mr R. Bhagwan (First Member for Beau Bassin and Petite Rivière)** asked the Prime Minister, Minister of Defence & Home Affairs, Minister of Civil Service & Administrative Reforms and Minister of Rodrigues & Outer Islands whether, in regard to the law and order situation prevailing in the country, more especially in view of the recent crimes, assaults, thefts, hold-ups and rapes, he will state the urgent actions which will be initiated.

The Prime Minister: Mr Speaker, Sir, we have intensified the crusade against crime in general by taking a series of additional measures which include the following -

- (a) the National Crime Intelligence Service has been set up to deal exclusively with intelligence relating to criminal activity. This unit will be called upon to play a key role in combating crime and managing law and order in the country;
- (b) closed-circuit television surveillance systems have been installed in commercial and high-risk areas such as the Airport and the Port;
- (c) procedures have been initiated for the installation of the closed-circuit television street surveillance system to cover the central parts of Port Louis. This will later on be extended to other cities. This project will be financed under the Chinese Line of Credit;
- (d) assistance has been sought and obtained from friendly countries such as U.K, France, United States of America and India to assist in law enforcement and for capacity building of Police personnel, and
- (e) Police surveillance and monitoring have been stepped up in certain regions.

We have also embarked, Mr Speaker, Sir, on a more targeted training programme for members of the Police Force to enhance their professional development.

During my recent visit to the UK, I had very fruitful discussions with the Chief Executive Officer of the UK Forensic Science Services Ltd on future collaboration between that organisation and the Government relating to DNA profiling, scene of crime, capacity building in this sector and the establishment of a DNA database.

As far as legislative measures are concerned, we have already brought about amendments to the Child Protection Act with a view to better protecting the children and a new Firearms Act has been enacted to regulate the possession of firearms. We are shortly coming to Parliament with the amendments to the existing legislation to further stiffen penalties for various offences, including the introduction of the Sexual Offences Bill. A new DNA legislation will also be introduced so that DNA tests can be carried out on persons suspected of having committed offences.

Mr Speaker, Sir, it is the firm belief that, as far as law and order is concerned, we are moving in that direction. But it should not be a partisan issue. And I say that again in Parliament. We must not lose sight of the fact that with the evolution of crime in general and drug distribution networks in particular, in an advanced technological and cyber era, the maintenance of law and order and the suppression of crime have become a daunting task. This is why I am asking for help from friendly countries. I hope not only the Police, but also law-abiding citizens, the Government and everyone should be co-operating with the Police.

Mr Bhagwan: M. le président, Sir, je suis d'accord avec le Premier ministre sur la question de *law and order* et d'insécurité. Cela ne doit pas être une question partisane. On est tous membres du Parlement; *we are all citizens of this country*. Il y a vraiment un climat d'insécurité. J'ai été moi-même témoin de plusieurs cas d'agression sur des gens dans la rue...

(Interruptions)

Mr Speaker: Order! There is no need to make a long statement.

Mr Bhagwan: I am putting my question. The Prime Minister has given a long reply. I have to elaborate on my question.

Mr Speaker: In the past, I have said that some latitude must be given to a Member of Parliament to make his question intelligible. But, he cannot make a long statement. This is my ruling.

Mr Bhagwan: *Mr Speaker, Sir, I am not making a long statement. I am just saying that this question of law and order et d'insécurité est un réel problème. Tous les jours, il y a des cas d'agression perpétrés sur des gens qui attendent l'autobus ou qui marchent dans les rues. M. le président, est-ce que le Premier ministre peut nous dire si provision a été faite pour augmenter le nombre de policiers sur les routes ? Il y a aussi un problème de manque de véhicules dans les stations de police. Nous sommes tous membres du Parlement et nous le savons, M. le président ! Il y a des policiers...*

Mr Speaker: Is this not a statement or a speech? Does the hon. Member want me to rephrase the question for him?

Mr Bhagwan: No.

Mr Speaker: Please rephrase your question!

Mr Bhagwan: Yes, Sir. Can I ask the hon. Prime Minister whether provision has been made to increase the number of Police Officers and vehicles in police stations? I raised the issue here last time, and the Prime Minister said that he was going to look into the matter. There is a real problem of vehicles in police stations. This question is directly linked to the question of law and order and public security.

Mr Speaker: This is a statement.

(Interruptions)

Order!

The Prime Minister: With regard to the first part of the question, the answer is yes. Provision has been made for the recruitment...

(Interruptions)

Mr Speaker: Can I ask the hon. Member to allow the Prime Minister to reply in silence?

The Prime Minister: Provision has been made for the recruitment of more Police Officers. In fact, the whole exercise is done at the moment.

As far as vehicles are concerned, if the hon. Member remembers, during my first mandate, I brought Mr Shattock here and he was criticised by the then Opposition day and night. For the first time, he put order in the

purchase of vehicles. Before, there was a system of tendering and vehicles would be taken from X, Y and Z. There was no rationale in the way it was being done. We know the problem there was when I became Prime Minister for the first time in 1995. But, then, the whole Opposition made as if Mr Shattock was the guilty person, and he had to leave. I have, in fact, a good mind to ask him to come back and put order into this. In fact, it shows the ignorance of the hon. Member. He is a Chief Constable in the UK in charge of the Police Force, which is bigger than the Police Force in Mauritius. These people don't know. They never know...

(Interruptions)

Mr Speaker: Hon. Bhagwan, I am losing patience now!

The Prime Minister: Never before was there order in the maintenance of vehicles, and this work was done. When I left Government, and the other Government took power, they reverted to the old system, God knows why! They should go and look at the costs. We are now, in fact, reviewing the same system. I am going to ask for help, because this has to be done.

Mr Dowarkasing: Mr Speaker, Sir, may I ask the hon. Prime Minister whether he is aware that, as at date, even stationery is not available in the different police stations around the country?

The Prime Minister: As the hon. Member probably knows - I hope he knows - I don't run the day-to-day business of the Police Force. It is the Commissioner of Police who runs the Police Force. He should go and tell the Commissioner of Police.

Mr Bhagwan: Mr Speaker, Sir, the Prime Minister is at the head of Government since two years. Can I ask him what are the concrete measures? Will additional vehicles, motorcycles or whatever be put at the disposal of police stations for the daily performance of their duties?

The Prime Minister: I agree. In fact, this is a matter which is causing a problem since a long time. It does not date back today, two years or five years! This has been a problem for 10 years! In the meantime, they had a chance to be in Government, but there was no improvement in the system. In fact, the system went from bad to worse. We are making provision, but we want to do it in a rationale way.

Mr Ganoo: Mr Speaker, Sir, the Prime Minister has already answered the question about new recruitment. But, is the Prime Minister aware that, since the past two years, no recruitment has been made? Each year, more than 100 Police Officers retire. So, there is urgency – this is not a partisan question – to recruit new Police Officers. I’ll give an example to the Prime Minister, Mr Speaker, Sir. Last night, in Quatre Bornes Police Station, there were only seven Police Officers who were working, and two of them went to work at VIPs residence. So, there were only five left for the whole town of Quatre Bornes. I think there is a lack of personnel in our police stations!

The Prime Minister: I must tell the hon. Member that, of course, retirement takes place every year, and not just when I am Prime Minister. They put all the blame on me. But, if they have to retire, they have to retire. As soon as I took over, there had been recruitments, and there is going to be recruitment very soon.

Mr Bodha: Mr Speaker, Sir, in view of the fact that the Prime Minister can give orders of a general nature to the Commissioner of Police, who is responsible for the daily maintenance of law and order, does he have a regular briefing from the Commissioner of Police on a daily basis?

The Prime Minister: Not on a daily basis, but whenever he feels he needs to talk to me or whenever I feel I need to talk to him, we talk to each other.

Mr Bhagwan: Mr Speaker, Sir, I ask for your guidance, because last time when I put this question, I was expelled from the House. Can I ask the Prime Minister again – this is a very serious issue of law and order...

Mr Speaker: Can I inform the hon. Member that, according to our Standing Orders, he has no right to impute any motive on any Member of this House, including a Minister?

Mr Bhagwan: Being given the seriousness of the issue, can I ask the Prime Minister to, at least, give directives the Commissioner of Police and whoever at the Police so as not to take instructions from anybody, even Members of the Opposition or whoever MPs, for the release of high criminals? This is a real problem. Whenever criminals, thieves are caught and brought to a police station, *sur un coup de telephone* they are released.

(Interruptions)

Mr Speaker: Order, please!

Mr Bhagwan: I won't mention names, because I am not allowed to do so. If need be...

Mr Speaker: I will not allow the hon. Member to do this.

Mr Bhagwan: Can the Prime Minister, at least, give instructions to Members of Government, be it MPs or Ministers – and even give names here if somebody interferes with the Police – not to give directives to release people? There have been cases where people have been released, namely political agents.

The Prime Minister: Mr Speaker, Sir, I can assure the hon. Member that, in fact, I have given directives, in no uncertain terms, to the Commissioner of Police that he should report to me if they get instructions from anybody in this House. In fact, later on, there is a question from the hon. Member, and I can tell him that one of the persons has been sacked precisely because he has interfered with the Police.

ECROIGNARD, MR FRANÇOIS, ADVISER – TERMINATION OF CONTRACT

(No. B/7) **Mr R. Bhagwan (First Member for Beau Bassin and Petite Rivière)** asked the Prime Minister, Minister of Defence & Home Affairs, Minister of Civil Service & Administrative Reforms and Minister of Rodrigues & Outer Islands whether, in regard to Mr François Ecoignard, Adviser in Information Matters attached to the hon. Attorney-General, Minister of Justice and Human Rights, he will state –

- (a) the reasons why his contract was terminated;
- (b) if an inquiry has been carried out following representations made by a *Comité de Soutien* and, if so, the outcome thereof, and
- (c) if consideration is being given for his re-appointment and, if so, when and, if not, why not.

The Prime Minister: Mr Speaker, Sir, with your permission, I shall reply to both PQs No. B/7 and B/10 at the same time as they relate to the same issue.

The contract of employment of Mr Ecoignard provides for either party, that is, the employer or the employee to terminate the contract by

giving either one month's notice in writing or by paying one month's salary in lieu thereof.

Mr Ecoignard has been paid a salary in lieu of notice in respect of the period 15 February to 28 February 2007 as the February 2007 payroll had already been prepared as the date of the termination of his employment, which was 14 February.

The balance has not been paid as he is indebted to Government in respect of a car loan, the outstanding balance of which as at 31 March 2007 is Rs283,960.31.

A "*mise en demeure*" was to be served on Mr Ecoignard on 21 February 2007 by the State Law Office for breach of his motor car loan agreement with the Accountant-General. However, service of the document could not be effected then personally upon him and fresh steps are being taken to initiate legal action against him.

Since the services of Mr Ecoignard are no longer required, the question of his re-appointment does not arise.

Mr Bhagwan: Pourrions-nous connaître les raisons pour lesquelles il a été licencié?

The Prime Minister: As I said, one of the first reasons is because of his interference in different departments, if the hon. Member wants to know. I know the hon. Member talked to him and invited him for the first time. The hon. Member would remember this!

(Interruptions)

He has been interfering and one of the reasons was precisely because of that. There is also the problem of the motor car because, as you know, he made an application for a car loan. A loan was granted to him, but he did not buy the car. Instead he took a lease of a different car and that is why the quotation which was given and the lease are completely different. That is why there is an outstanding balance and action has been taken - I am not going into the details - by the State Attorney.

Mrs Hanoomanjee: As a matter of principle, can the hon. Prime Minister say whether the view of the hon. Attorney-General was taken into consideration before the contract was terminated as, in a public statement, the hon. Attorney-General had expressed his total solidarity with Mr Ecoignard?

The Prime Minister: His view was not taken, because that does not concern him.

(Interruptions)

Mr Speaker: Order! Order, please!

Mr Ganoo: Mr Speaker, Sir, it is a fundamental principle of the rule of law that before somebody is sanctioned, he should be given a hearing, *audi alteram partem* rule - hear the person he wants to sanction. Whatever decision the Prime Minister's Office took afterwards, why has not Mr Ecoignard given a hearing, asking him to give explanations on any allegation that was made against, giving him a chance to explain?

The Prime Minister: As far as I understand, he was warned before about interference in different departments. Secondly, there is also the case of the motor car issue and he was given a chance to explain. In fact, there is a *mise en demeure* which is being served.

Mr Lesjongard: Mr Speaker, Sir, the hon. Prime Minister mentioned of interference. Can he tell us the nature of the interference so that we can appreciate the seriousness of the matter?

The Prime Minister: There is no need for the hon. Member to appreciate, I will not give it.

(Interruptions)

Mr Jugnauth: The hon. Prime Minister has mentioned the issue of the motorcar. From the information that was given to the House, it would seem that it is a serious offence. Why has not the matter been reported to the Police?

The Prime Minister: In fact, I am saying that once there is interference, normally we warn people. Maybe sometimes they don't know, they think they can pick up a phone...

(Interruptions)

Yes, a *mise en demeure* has been served to him.

Mr Jugnauth: It's a criminal offence, it could be reported to the Police.

The Prime Minister: Legal action has been taken.

Mr Guinness: Is it also because very often Mr Ecroginard had had serious clashes with Mr Callikan that he has been sacked?

The Prime Minister: That is another falsehood. It's complete false. Mr Callikan has got nothing to do with it.

Mr Bhagwan: Can we know from the hon. Prime Minister whether he received any representation from the Attorney-General following the action taken against Mr Ecroignard, because it was publicly stated that the Attorney-General would make an appeal to the hon. Prime Minister. Can we know from the hon. Prime Minister whether he received any official communication from the Attorney-General regarding the case?

The Prime Minister: As I said, he was not informed at the beginning and he was not aware of what had happened. I considered it to be serious enough. But to answer the hon. Member's question, he did talk to me afterwards and I gave him some explanation.

Mr Speaker: Last question, hon. Ganoo!

Mr Ganoo: Is the hon. Prime Minister aware that Mr Ecroignard gave a declaration to the Police and he denied the charge that was made against him in very clear terms and he said that he has nothing to do with the question of revealing Government's information and so on.

The Prime Minister: There is a case of defamation that has been lodged by a Minister against him.

Mr Bhagwan: Can I ask the hon. Prime Minister whether he has inquired, because Mr Ecoignard was acting on behalf of the Attorney-General? Because in many cases ...

Mr Speaker: The hon. Member should put his question. I don't want any comment to be made.

(Interruptions)

Mr Bhagwan: Can I ask the hon. Prime Minister whether he has inquired into this serious matter as Mr Ecoignard was acting honestly on several occasions on behalf of the Attorney-General from instructions received by the latter? Can we know whether this has been inquired into?

The Prime Minister: I said it to the House, Mr Speaker, Sir. Hon. Members have been Ministers. They also have been subject to the same kind of problem. They know that people use the name of Ministers, of the Prime Minister, all the names. This happens very often.

In fact, so many times I have warned people in my own party to be very careful not to use my name; certainly, I will not tolerate this and this is what happens all the time.

(Interruptions)

Exactly! That is why the hon. Member is talking to them now.

Mr Speaker: I said last question, I am sorry! Next question, hon. Bhagwan!

KING FISH II AND V FISHING VESSELS – DISAPPEARANCE AT SEA

(No. B/8) Mr R. Bhagwan (First Member for Beau Bassin and Petite Rivière) asked the Prime Minister, Minister of Defence & Home Affairs, Minister of Civil Service & Administrative Reforms and Minister of Rodrigues & Outer Islands whether, in regard to the disappearance at sea of the fishing vessels King Fish II and V, he will state –

- (a) the number of persons onboard who have disappeared;
- (b) the search operations initiated by Government, and
- (c) the measures taken –
 - (i) in favour of the families of those who have disappeared, and
 - (ii) to review the communication system between the meteorological services and the Port Authorities during the cyclonic period.

The Prime Minister: Mr Speaker, Sir, with your permission, I shall reply to Parliamentary Questions B/8, B/13 and B/17 together.

I am informed that a total of 16 persons on board the fishing vessels King Fish II and King Fish V have disappeared at sea during the passage of cyclone Gamede on the night of 23 February 2007. Eleven of these persons are of Mauritian nationality and five of Sri Lankan origin. In fact, out of the eleven persons, there are two from Rodrigues.

The two fishing vessels left for a fishing campaign on the small banks north of Albatross island, Sudan and Hawkins.

I am also informed by the Fisheries Division that the Ministry of Agro-Industry and Fisheries that King Fish II was granted a departure clearance for the fishing trip starting from 13 February 2007, but, in fact, left the Port on 19 February 2007. Similarly, King Fish V was given departure clearance for the fishing trip starting from 09 February 2007, but left on 13 February 2007. Both vessels had received harbour permission on the very day they left the port and were covered by seaworthiness certificates. At the time of issue of clearances, the Vessel Monitoring System of the boats was in working order and they were covered by insurance for the boat, crew and fishermen.

Port Louis Harbour Radio under the Mauritius Ports Authority maintains the High Frequency contact with the Mauritian fishing vessels twice daily i.e. at 0800 hrs and 1800 hrs. The owners also keep contact with these vessels. The fishing vessels are also required to report via automatic transponders fitted onboard to the VMS system based at Fisheries Centre, Albion. According to information obtained, King Fish II has not reported to

the VMS since leaving harbour whilst King Fish V has been reporting till the night of 23 February 2007.

I am informed that on 23 February 2007, the National Coast Guard at St Brandon reported that weather information of the impending storm had already been passed on to the two vessels through radio network.

On 28 February 2007, the Dornier, during a search in the area sighted King Fish II grounded off Cocos Island. The search and rescue operations for King Fish V is still on. The Dornier has already intensively searched an area of more than 114,885 sq kms since the beginning of this operation and has flown for a total of more than 79 hours. A French Transall Aircraft has also contributed more than 1100 hours of aircraft.

The Police helicopters, CGS Guardian, GCS Rescuer and heavy duty boats have all participated therein by providing off-lagoon patrols. Moreover, two other private vessels, as well as the French naval ships Jeanne D'Arc and Georges Leygues and Indian Navy ship Sarveshak have also volunteered in the search.

The probability area has been continuously reappreciated based on wind and tide data provided by the Meteorological Services and search planning assistance from the US Coast Guard MRCC, Alameda, California.

Some family members have been taken on board the Dornier aircraft during the search operations in order to provide them with direct exposure to the rescue efforts being undertaken.

In view of the sudden hardships faced by the distressed relatives, financial assistance was extended to the eleven Mauritian families as follows

—

- (i) a sum of Rs. 10,000 has been provided by the Fishermen Welfare Fund under the “Financial Assistance to Family in Distress Scheme” to each family;
- (ii) the Ministry of Social Security, National Solidarity and Senior Citizens Welfare and Reform Institutions has made a grant of Rs134,000;

- (iii) the Ministry of Women's Rights, Child Development, Family Welfare & Consumer Protection has made a grant of Rs99,000 from the "Families in Distress Scheme"; and
- (iv) the Seafarer's Welfare Fund has also made a total grant of Rs 110,000, so far.

Mr Speaker, Sir, the Meteorological Services has the international obligation to issue weather and sea state information in areas within the "Global Maritime Distress and Safety System" framework. Regular and special transmissions are performed through satellite medium, Mauritius radio services and harbour radio. Additionally, in case of adverse weather and difficult sea state conditions, special bulletins are issued by the meteorological stations of the Outer Islands in Rodrigues, St. Brandon and Agalega for targeted users through Coast Guard posted at St Brandon or through the Resident Manager in Agalega.

The communication system between the Meteorological Services and the Harbour Radio has been performing satisfactorily up to the present and no review is therefore being envisaged.

Mr Speaker, Sir, my Government is determined, as I said before, to go in-depth into the circumstances that led to this tragic disappearance which has caused much distress to the families directly concerned, and we are all with them in these difficult times.

In this regard, the hon. Deputy Prime Minister and Minister of Public Infrastructure, Land Transport and Shipping has approved the appointment under section 177 of the Merchant Shipping Act, of a Court of Investigation, to be chaired by a Senior Magistrate, to hold a formal investigation into the case with the following terms of reference -

- (i) to investigate into the circumstances which led to the stranding of fishing vessel King Fish II and the disappearance of fishing vessel King Fish V with all the crew members of both vessels; and
- (ii) to make recommendations with regard to norms for safety of fishing vessels, the procedures for survey of vessels and the training of the crew.

According to Section 177(4), the Court of Investigation shall hold its meetings and conduct its proceedings in the same manner and shall have powers as a Commission of Inquiry appointed under the Commission of Inquiry Act.

Mr Bhagwan: Mr Speaker, Sir, we all pray that we do not have any recurrence of such an accident. Can I appeal to the Prime Minister – we all appreciate what has been done by Government and other bodies – to have a forum or follow-up by the Ministry of Social Security regarding the families? We cannot just give them money and then leave them alone. Can he also look into the possibility of employment for the ladies and I will also request the Minister of Women’s Rights, Child Development, Family Welfare & Consumer Protection to look after the children. This is the appeal that I make to the Prime Minister.

The Prime Minister: I can assure the hon. Member that all this is being done. Perhaps I should add, Mr Speaker, Sir, that the Master & Registrar has been in consultation with the Chief Justice to name a Senior Magistrate and he has today designated the Senior Magistrate to chair the Court of Investigation under the Merchant & Shipping Act.

Mr Lesjongard: Mr Speaker, Sir, for the sake of clarification, I heard the Prime Minister made mention of 16 persons on board of the two boats. Do we have exactly the number of persons on each boat?

The Prime Minister: I’ll give the hon. Member the details because the question was about the total number.

Mrs Martin: May I know from the hon. Prime Minister whether the search party is still going on or has stopped?

The Prime Minister: I said, in fact, the search party is still going on. It has been reduced because certain areas have been covered many times, but it is still going on.

Mr Ganoo: Has the Prime Minister even thought about the advisability of amending the law so that when there is a cyclone class 3 warning, no ship should be allowed to leave the harbour or even inside Mauritius, no vehicle should be allowed to be on the roads and formally, unauthorised to be road users when there is a cyclone class 3 warning?

The Prime Minister: I have been told that it depends on the size of the ship, but in that case, by the time they left, there was no cyclone. Cyclone Gamede was, in fact, formed on 21 February. By the time, both of them had left.

Mr Lesjongard: Sir, with regard to the seaworthiness of the two boats, we understand that there is a checklist and the Prime Minister stated that they had seaworthiness certificates, but at the same time, he stated also that one of the transponders on one of the boats was not functioning when the boat left the Port. How do we then reconcile seaworthiness and equipment not functioning on the boat?

The Prime Minister: I said that when the boats left the Port, one of the fishing vessels has been in touch with the harbour while King Fish II has not reported to the VMS since leaving the harbour. So, we assumed that something must have gone wrong whereas the other one has been reported till the night of 23 February 2007. I hope, Mr Speaker, Sir, that, in fact, the whole inquiry will shed light on all these things. The name of the Magistrate who has been designated is Mr Benjamin Joseph.

Mrs Martin: Mr Speaker, Sir, following the disappearance of the ship and crew at sea, may I know from the hon. Prime Minister when the relatives were subsequently informed and by whom?

The Prime Minister: I do not have the information, but I can find out. I know that when I talked to them, they were complaining that the owners did not inform them. Apparently, they were worried about the pressure that was going to be exerted on them. Eventually, they were informed, but not by the owners. This is what they were telling me, but I can't say. I hope the inquiry will reveal all this.

Dr. Ramloll: Sir, is there any explanation for this gap of time between the initial permission to leave the harbour and when the ship left.

Can we know whether these two ships had a seaworthiness certificate and, if yes, it was delivered by which authority?

The Prime Minister: From what I understand, Mr Speaker, Sir, the procedure is to obtain the permission first and it is only then that they can make provision for the sailors to be appointed, for the food, fuel and oil to be organised. That is the reason why there is a gap. They must obtain the permission first, then they can organise the ship. From what I understand, they had seaworthiness certificate.

Mr Speaker: Time is over! Questions addressed to hon. Ministers!