

MAURITIUS
FOURTH NATIONAL ASSEMBLY
Wednesday 27 May 2009

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MAURITIUS

Fourth National Assembly

Debate No. 10 of 2009

Sitting of Wednesday 27 May 2009

The Assembly met in the Assembly House, Port Louis

at 11.30 a.m.

The National Anthem was played

(Mr Speaker in the Chair)

PAPERS LAID

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

A. Prime Minister's Office -

The Annual Report and Audited Accounts of the Mauritius Broadcasting Corporation for financial year 2006/2007 (In original).

B. Ministry of Social Security, National Solidarity & Senior Citizens Welfare & Reforms Institutions -

The Report of the Director of Audit to the Chairperson of the Non-Governmental Organisation Trust Fund for the year ended 30 June 2007 (In original).

ORAL ANSWER TO QUESTION

SALARY COMPENSATION

The Leader of the Opposition (Mr P. Bérenger) (*By Private Notice*) asked the Vice-Prime Minister, Minister of Finance & Economic Empowerment whether, in regard to the 5.1 per cent increase in old age pensions, social aid benefits and the salary compensation proposed by Government, he will state –

- (a) the grades of employees in the public and private sectors who will be excluded by the Rs12,000 monthly salary ceiling;
- (b) if Government is prepared to raise the 5.1 per cent increase and lift the Rs12,000 ceiling, and
- (c) if Government will offer another increase as from 01 January 2010.

The Vice-Prime Minister, Minister of Finance & Economic Empowerment (Dr. R. Sithanen): Mr Speaker, Sir, these are unprecedented times calling for exceptional measures all over the World. We have never seen a situation where world trade is falling by double digits and most countries in the world are undergoing a synchronised downturn with the majority in recession or close to it. Some countries have also collapsed, something not seen since the 1930's. Many of our trading partners are mired in a deep and long recession with rising level of unemployment, very high fiscal deficits and soaring debt levels. South Africa, one of our most important trading partners, slid into a deep recession yesterday with a decline in growth of more than six percent for the first quarter of 2009. According to the ILO, 100 million people will lose their jobs as a result of the downturn and the World Bank predicts that over 100 million people in poor countries will fall below the poverty line. Mr Speaker, Sir, there are high risks of a social crisis and a humanitarian disaster in many poor countries.

Our reforms have made us resilient, but not immune to these large economic shocks from the rest of the world with our main exports of both goods and services affected by the sharp fall in demand in our traditional export markets. Moreover, there is a shift from long haul to short haul tourism that is further affecting our economy. This trend is aggravated by the AH1N1 virus.

Mr Speaker, Sir, this is the context within which we have had to make the tough choices that governing a country effectively is all about. We have had to solve real problems in real time with workable solutions that deliver results that save jobs, protect our population and prepare for recovery.

We have had to find the right balance and the right equilibrium between protecting jobs and supporting purchasing power. This budget has done so by providing as much as is possible under the difficult circumstances and targeting stronger support to the most vulnerable and those most in need.

Mr Speaker, Sir, this Government is committed to putting people first and we have always done so whilst being responsible and taking account of the specific circumstances. Last year, when our economy was performing well as a result of our reforms, we used the fiscal space we had earned to provide the PRB in one go. This is in contrast to the previous PRB, paid in two steps, despite a rosier international context.

This year, Mr Speaker, Sir, we would have liked to provide a more generous package but we have had to balance compensation against preserving employment.

In other countries this trade-off between jobs and pay has resulted in drastic policy options that we have been able to avoid by a responsible, yet compassionate approach to the budget, and making the right choices, however hard they are.

Mr Speaker, Sir, we have avoided the wage freeze and the deep cuts in public expenditure as in many countries in Eastern Europe, shorter work weeks including sharing jobs in the United States, forced leave without pay in California, frozen pensions and salaries in Ireland and Latvia, eliminating the thirteenth month bonus and cutting pensions in Hungary, salary cuts in Singapore and massive public sector layoffs in Seychelles and Ireland.

Mr Speaker, Sir, in California, which would be the 6th richest economy if it were independent, drastic measures are being considered, including cutting funding

for social services including removing coverage from 225,000 poor children. Some health programmes, including family planning and pre and post natal care will be cut sharply or eliminated. Child welfare programmes will be cut by 10 percent. Cuts in the education budget will shorten the school year by a week, require teachers to be laid off and cause larger class size. Cuts in spending on higher education in California will result in 50,000 fewer students and 5,000 fewer staff.

In Mauritius, one of the most rational ways to save jobs that was advocated by many and has been practiced across the globe would have been to impose a wage freeze.

However, Mr Speaker, Sir, in recognition that this would impose undue hardship on those with modest income; we have rejected this easy solution. Instead, we have balanced solidarity with job preservation by maintaining the approach of the NPC to compensate 71 percent of workers at a cost of Rs1.4 billion. Around 80 percent of employees in the private sector and 40 percent in the public sector would be eligible for the salary compensation.

In fact, 258,000 out of 320,000, i.e. 81 percent are eligible for compensation in the private sector. In the public sector, 37,800 are eligible, i.e. 40 percent. In addition, Mr Speaker, Sir, 90 percent of public sector pensioners will benefit from the compensation. Almost all the 15,600 beneficiaries of civil service family protection pensions will also get compensation.

The definition of grades varies across sectors and enterprises. What matters for this exercise is salary.

The NPC has had to balance inflation, productivity, capacity to pay and competitiveness in making its recommendations.

The Rs12,000 cut-off reflects the policy to give greater protection to those that are hit the hardest. While appealing for solidarity and a sense of social consciousness from those who are at the higher end of income, raising the threshold would mean a lower rate of compensation for all or cuts in social benefits to those most in need and would risk imposing an unbearable cost on the economy.

The trade-off between jobs and pay is in tension and many, especially SMEs cannot pay even the amount recommended by the NPC. This is why Government will set up a mechanism, as recommended by the NPC, to ensure that all those who can pay do so.

Mr Speaker, Sir, we should also recall that social policy is not just about compensation and that earnings reflect other increases than compensation. In fact, many employers have paid more than recommended by the NPC when they have been able to do so. We also count on them to carry on this practice this year for those enterprises that have been best able to weather the storm.

Mr Speaker, Sir, more importantly, social protection goes beyond compensation. We have had to create room through a responsible compensation policy to provide for increases in a large array of existing social benefits.

We are providing Rs380 m. to rehabilitate NHDC housing estates. In all over 250,000 beneficiaries of social benefits including pensions will receive compensation of at least 5.1 percent.

The new programmes will cost Government Rs2 billion whilst we have provided another Rs450 m. for the existing social benefits.

Old age pension, Mr Speaker, Sir, is an item dear to the Labour Party which not only introduced it decades ago, but almost doubled it when the current Prime Minister first took office in 1995. Moreover, we ended the humiliation associated with the implementation of the targeting introduced by the previous Government. Given that the pension now covers all, regardless of income and given the aging population, every year we have to provide a three percent increase amounting to Rs300 m. because of the aging population. On top of this and despite the difficult economic situation we are granting the same increase of 5.1 percent to all pensioners that the NPC is recommending for workers at the lower end of the salary scale.

We have also increased the lowest rung, Mr Speaker, Sir, from Rs3,500 to Rs3,800 in spite of the difficult situation.

However, Mr Speaker, Sir, we have not been satisfied with this. We have done more for targeted groups that are well-identified and need our support. In addition to a 15 percent increase for some 90,000 beneficiaries of income support, we have also provided a 10 percent increase to single mothers and abandoned women and we have extended the child allowance from 20 to 23 years for children in low income families attending higher education. We have also raised the threshold from Rs7,500 to Rs10,000 for scholarships to children whose family has lost an income earner. Moreover, we are allocating Rs60 m. to support small planters.

More important, maybe, is what we have not done. We have neither raised VAT nor extended its coverage, in sharp contrast to the previous Government which did so twice. Similarly, we have relied on a solidarity levy on those who can afford it, instead of following the previous Government in raising income taxes at the expense of jobs and investment.

(Interruptions)

Mr Speaker: Order!

Dr. Sithanen: Mr Speaker, Sir, in these unprecedented times, the best way to protect people and families is to preserve jobs. We have mobilised Rs3.5 billion to achieve this. This is the best way to help the poorest and we are also extending our efforts to help them help themselves by rationalizing and reinforcing our empowerment and poverty alleviation efforts, providing Rs360 m. for the next six months.

Mr Speaker, Sir, clearly we have taken steps to avoid a human and social crisis by finding the right balance between the hard choices made in other countries. It is, therefore, clearly neither wise nor responsible to modify the recommendations of the NPC either by raising the Rs12,000 threshold or by increasing the rate of compensation.

Mr Speaker, Sir, to conclude, we will cross the bridge of what happens in January 2010 when we reach it. However, I must state that compensation is usually for a one-year period. At the same time, if the world economy recovers and our balanced approach bears fruit, the next compensation exercise should provide the NPC more room for manoeuvre.

Mr Bérenger: Mr Speaker, Sir, the hon. Vice-Prime Minister and Minister of Finance has given figures for the percentage of workers/ employees involved in the private sectors who will not benefit from any salary compensation. These figures cannot be verified. Can I ask the hon. Minister why is it that he does not give the figures? My question asked for grades. Will he agree with me that, in fact, in the public sector, namely gardeners, carpenters, plumbers, watchmen, electricians, hospital servants, drivers, gangmen, printers, cooks, caretakers, office attendants, messengers, clerical officers, executive officers, typists, all these categories, either from year one, or after a few years' of increments, in the public sector – they are simple workers – will not benefit from any compensation, and in the private sector, foremen, supervisors, clerical staff, cashiers, and so on, will not. Why has he refrained from replying to my question and giving those grades?

Dr. Sithanen: It is for very simple reasons, Mr Speaker, Sir. First, there are so many grades, not only in Central Government, but also in public sector and in public enterprises. Second, in the private sector, there are thousands and thousands of grades that change across sectors and even within enterprises. Mr Speaker, Sir, the grade is not important here. What is important is the salary cut-off. And the salary cut-off is Rs12,000. And let me give the additional figures. I don't know whether the hon. Leader of the Opposition has a copy of the recommendation of the NPC. There is an appendix which says very clearly, Mr Speaker, Sir, that 80% of workers in the private sector, out of 320,000, will benefit from the salary compensation, and 40% approximately in the public sector.

Let me make another point, Mr Speaker, Sir. If you add 94,000 in the public sector and 320,000 in the private sector, this makes 414,000. The total employment, however, in the country is 550,000, which means that there are about 136,000 people who are not covered in the public sector and who are not in the official figures of the private sector. They are self-employed or are in the informal economy that employs people.

Yesterday, the hon. Leader of the Opposition, in his speech, said that these are the categories of workers who are probably more vulnerable to the economic shocks. So, in all likelihood, if we add all these figures, you will see that more than 81% will be eligible for the compensation, because of the 136,000 that are unaccounted for in the private sector and in the Government figure.

Mr Bérenger: I am certainly not prepared to go by figures provided by the MEF to the so-called NPC in the absence of a trade unionist. I will certainly not go along with those figures. The Vice-Prime Minister, however, has not challenged me when I gave him this long list of ordinary workers who will not be benefiting from any salary compensation.

If I can move on to this Rs12,000 per month cap, is he aware that this is going to disrupt the PRB recommendations completely? The PRB has done a thorough work and has come back with rate equilibrium between the different grades, and so on. This arbitrary decision to stop at Rs12,000 per month disturbs completely this set-up. Is the Vice-Prime Minister aware that, within grades, this is how we reward older workers, the younger workers in a lot of these categories which I have mentioned? The first year and the second year worker in the same grade will get compensation which is not sufficient, but the higher grades will not.

Dr. Sithanen: Mr Speaker, Sir, I started my reply to the question of the hon. Leader of the Opposition by describing the context in which this exercise has been done. I don't want to gain cheap political points, Mr Speaker, Sir, but let me set the record right for the hon. Leader of the Opposition. He has been Minister of Finance, and there was a year where there was no global recession, there was no global decline in trade; California was not bankrupt; he promised 30% increase in salary to workers; inflation was 13.5% and, before the negotiation, during the negotiation, and after the negotiation, he gave only 8% to the lowest rung.

(Interruptions)

Mr Speaker: Order! Order!

Dr. Sithanen: This is a fact, Mr Speaker, Sir!

(Interruptions)

Mr Speaker: Order! Order, please!

Dr. Sithanen: Mr Speaker, Sir, the times were better than they are today, and yet...

(Interruptions)

Mr Speaker: Order!

Dr. Sithanen: I listened to him! Mr Speaker, Sir, he promised 30%. Inflation was 13.5%, he gave only 8%, and I hope he understands that 8%...

(Interruptions)

Mr Speaker: Order! Order, please!

Dr. Sithanen: And he is shouting!

Mr Speaker: Order, I said!

Dr. Sithanen: Mr Speaker, Sir, let me tell the hon. Member, that inflation was 13.5%, he gave only 8%. Then we tell him 8% over 13.5% is 59%. Today, 5.1% over 6.9% is 75%, Mr Speaker, Sir. So, in difficult circumstances, we are doing better than what we did when the sea was calm and the moon was lighting, Mr Speaker, Sir.

(Interruptions)

Mr Speaker: Order! I am sorry!

(Interruptions)

Order! Order, please! I have no control on the answer of the Minister.

Mr Bérenger: Mr Speaker, Sir, this is sheer propaganda and hypocrisy. We are going back to 1982.

(Interruptions)

Mr Speaker: Order!

Mr Bérenger: 1982 was tougher than today and it will be better than today.

(Interruptions)

Mr Speaker: Order! If that continues, I will have no alternative than to suspend the sitting. Please!

Mr Bérenger: Today's Minister of Finance said more than we said in 1982. He knows and he said it then that the country was bankrupt and we did what we do. We inherited from the Labour Party that rate of inflation, Mr Speaker, Sir.

(Interruptions)

Mr Speaker: Order! Order! Order, please!

Mr Bérenger: 1982 was ten times tougher than today, Mr Speaker, Sir!

(Interruptions)

Mr Speaker: Order! Order! I think both sides have made their point. Come back to the question, please!

Mr Bérenger: I am sure the Minister will have to agree that capping the salary compensation at Rs12,000 is *sans précédent*. Even in 1982 or at any other time, this has never been done and this is a fact. I am sure the Minister of Finance will have to agree.

Dr. Sithanen: Mr Speaker, Sir, the hon. Leader of the Opposition does not have to shout. He was in a good mood yesterday. I would tell him to get back to his good mood of yesterday, Mr Speaker, Sir!

(Interruptions)

Mr Speaker: Order! Order, please! Order!

Dr. Sithanen: Mr Speaker, Sir, the hon. Member keeps saying that we have to save jobs. He was citing Reuter. Mr Speaker, Sir, this is what we have done. We have to strike a balance between preserving jobs and protecting purchasing power. Mr Speaker, Sir, I have given numerous examples where we have walked the extra mile in order to protect those who deserve it. 95,000 men, women and children on income support, we have given them 15% rise which is 200% of inflation; women who are abandoned, we have given them 10% increase; single women with children, we have increased by 40%, Mr Speaker, Sir...

(Interruptions)

Mr Speaker: The question is on capping.

Dr. Sithanen: Of course, I am replying, Mr Speaker, Sir. What we have said, because of exceptional circumstances, we have asked for solidarity.

(Interruptions)

I am answering the question.

Mr Speaker: No, listen! Can I, please? The hon. Minister has, in the reply that he has given, explained the philosophy behind his decision. Now, the question is that it is the first time that there has been a capping. He can explain and then answer. There is no need for him to repeat the same arguments again and again.

(Interruptions)

Dr. Sithanen: Mr Speaker, Sir, this is precisely what I was doing. I was saying that this is exceptional. Never since 1930 has the world gone into a recession! Never since 1940 has global trade declined by 11%! Mr Speaker, Sir, we have asked for solidarity. What does solidarity mean? That those who can

afford will share with those who are in vulnerable position. We have imposed three taxes on those who can and we have asked...

(Interruptions)

This is the answer! The hon. Leader of the Opposition cannot tell me how to answer questions, Mr Speaker, Sir.

(Interruptions)

Mr Bérenger: We knew before him that there is an international financial and economic crisis. Well before him! Is the Minister telling us that adding 2% to old age pension, *handicapés*, *veuves*, *orphelins* and lowest paid will make this country bankrupt, adding 2% to these lowest cases?

Dr. Sithanen: He did worst in 1982, Mr Speaker, Sir! He removed old age pension from 6,000 people in 2004, Mr Speaker, Sir; he inflicted psychological stress on hundred thousand old age persons...

(Interruptions)

Mr Speaker: Come to the question now!

Dr. Sithanen: Mr Speaker, Sir, everyday they pray for this country to go down so that they can walk on *cadavres*.

Mr Dulloo: On a point of order, Mr Speaker, Sir. Can the Vice-Prime Minister enter into political controversy and threats?

Mr Speaker: I will take the point of order at the end of the PNQ.

(Interruptions)

Order, please! Hon. Dr. David, can you keep quiet, please? I am begging you to keep quiet.

(Interruptions)

Mr Bérenger: Mr Speaker, Sir, the hon. Minister has refused to tell us whether there will be another wage compensation as from 01 January 2010 and we know that it is an annual exercise. We insist that there should be an adjustment or a further salary compensation as from 01 January 2010. Will, at least, the Minister

give the guarantee that under the pretext that we are moving to a calendar year, the next wage compensation will not take effect as from 01 January 2011?

Dr. Sithanen: Mr Speaker, Sir, the priority of this Government, we have stated it clearly and ambiguously in the title of the Budget, is to save jobs, protect people and prepare for the recovery. We will be ahead of the curve, Mr Speaker, Sir. Now, the hon. Leader of the Opposition wants to commit what us we are going to say in the speech of the budget in November 2009. We have another Budget, Mr Speaker, Sir. Let me tell him also that the compensation lasts for one year, Mr Speaker, Sir. Nowhere is it written that the two should coincide. We have a whole range of possibilities. We have taken a series of measures and we will have to see how the world economy unfolds, what would be the impact on unemployment and employment, but we will make an announcement, Mr Speaker, Sir, in due course. We will cross that bridge when we reach it, Mr Speaker, Sir. And that's basically the commitment that this Government will take.

Mr Ganoo: All the trade union federations have disagreed with the proposals of the NPC and are still criticising these proposals. The Minister said in his answer: "we" have increased the threshold; "we" have decided what should be the threshold. "We" means Government.

Mr Speaker: The hon. Member should put his question!

Mr Ganoo: Can I ask the hon. Minister then why does not Government change the terms of reference of the NPC? Because this is a gimmick, this is a farce, the NPC deciding on its own...

Mr Speaker: I am sorry, hon. Ganoo! The question, please! I am sorry. Have you seen what the question is? It is not about changing the NPC.

Mr Ganoo: But the outcome is the proposals of the NPC. My question is to put an end to this farce so as to give the several Trade Union Federations a chance to come and voice their proposals and consequently to review this question of *les attributions* and the terms of reference of the NPC!

Dr. Sithanen: Mr Speaker, Sir, this is opening an old *plaie*. Mr Speaker, Sir, the hon. Member knows that there are four criteria used to determine the compensation by NPC. The first one is inflation, as measured by CPI; the second is the average productivity in the economy; the third is the capacity to pay, and the fourth is the impact of such an increase on employment and unemployment.

Mr Speaker, Sir, all Governments, including many Members on the other side of the House, have gone through that process, and we know that we cannot increase salary compensation solely on the basis of inflation. Mr Speaker, Sir, never has this taken place. In fact, this year, we have taken ...

(Interruptions)

Mr Speaker: Hon. Barbier, please!

Dr. Sithanen: This year, Mr Speaker, Sir, they have taken 50% of inflation plus 100% of average productivity, and there has been no formula for what would be the impact on unemployment and on the capacity to pay. But, we invite the trade unions to go there and make their voices heard, Mr Speaker, Sir, and try to influence the course of the debate and the recommendations made.

Mr Jugnauth: Mr Speaker, Sir, I heard the hon. Minister say that never has there been compensation up to the level of the rate of inflation, but we all know that in 2004/2005 and 2005/2006, when I was Minister of Finance, we had full compensation up to the level of the rate of inflation. I also agree with the Minister that we are facing unprecedented times. But, we also know that, for the past three years, there has never been compensation up to the level of inflation. May I know from the hon. Minister, when he was talking about the country facing early harvest, bumper crop, who, in fact, has benefited from the early harvest and bumper crop?

Dr. Sithanen: Mr Speaker, Sir, there are three questions in one. The first one is that the hon. Member probably misunderstood what I said. I said that inflation is never the sole criterion that is used to give compensation. We all know how this happens, Mr Speaker, Sir. It is the lowest rung only of the income ladder that will get full compensation. I have been Minister of Finance; I have presented eight budgets, Mr Speaker, Sir. I know how this is done. When Ministers of Finance were doing it, they put a low compensation for a large percentage, and when you average it, in fact, what people get - even when hon. Jugnauth was Minister of Finance - is 52% to 55% of inflation, because it tapers off and, for many people in the Export Processing Zone, they have the increase on their minimum wage and not on the total salary. This is what I meant. Mr Speaker, Sir, let me remind hon. Jugnauth that there is only one Minister, since independence, who gave 5% when inflation was 2.5%. I will ask him to go and check who was Minister of Finance in 1993, Mr Speaker, Sir. To come to the point of what has been made, Mr Speaker, Sir, we have created 36,000 jobs in three years. They were creating only 3,000 jobs per year. Who have benefited from it? Workers

have benefited from it, Mr Speaker, Sir! The GDP *per capita* has increased. Growth has been 5% instead of 2%. So, workers have benefited from it, Mr Speaker, Sir.

Mr Dulloo: Mr Speaker, Sir, the hon. Minister has, again, referred to the SMEs employing almost 50% of the labour force. But, is he not aware that the SMEs produce goods mainly for the local market, to be consumed by the lower and middle income groups? Therefore, may I ask him whether he should not fully compensate workers, especially those at the middle level management, in order to ensure, if not to improve, but, at least, to maintain their purchasing power for them to consume on the local market? Because demand would preserve jobs, and jobs would preserve those SMEs.

Dr. Sithanen: Unfortunately, the hon. Member has not been appointed shadow Minister of Finance, Mr Speaker, Sir. He does not know what he is talking about.

(Interruptions)

Mr Speaker: Order! Order, please!

Dr. Sithanen: Mr Speaker, Sir, he is saying that all SMEs produce for the local market. Obviously, he does not know what he is talking about. Firstly, there are many SMEs that produce for the export market, and there are many SMEs that are outsource to the Export Processing Zone, Mr Speaker, Sir. They work locally, but they support the export processing units. My colleague, the Vice-Prime Minister, hon. Duval, knows that there are many small firms which support the tourism sector. If the tourism sector is affected, they will be affected also. What he is saying does not make any absolute sense. Yesterday, Mr Speaker, Sir, the hon. Leader of the Opposition said that the SMEs are the most affected and, in fact, according to a survey that has been carried out by the Ministry of small business, about 80% to 85% of SMEs will not be able to pay compensation, Mr Speaker, Sir, because they are facing dire trouble.

Mr Speaker: Two last questions! Hon. Bodha and hon. Lesjongard! Please be short!

Mr Bodha: Mr Speaker, Sir, I will, in fact, take the point where he left it, that is, this issue of capacity to pay and the recommendation that a mechanism should be put up to see to it that in enterprises where there is no capacity to pay, workers still get a compensation. May I ask the hon. Vice-Prime Minister – he

mentioned this mechanism – what is the mechanism and whether, according to the survey which has been carried out by the Ministry of Labour, those workers are going to be ensured compensation in these difficult times?

Dr. Sithanen: In fact, the recommendation of the NPC - I hope hon. Bodha has read it – is that there are those who can pay, but there are many who can't pay. It is a tricky one, Mr Speaker, Sir, because there are many, among SMEs, who will have difficulties to pay this. The NPC will have to come forward with proposals on how this can be done.

Mr Lesjongard: Mr Speaker, Sir, the hon. Vice-Prime Minister and Minister of Finance has already set an economic background in his reply. But, is he aware that, today, there are lots of families in this country living on a single meal per day? Does he think that the 5.1% increase or that salary compensation will improve that situation, Mr Speaker, Sir?

Dr. Sithanen: Mr Speaker, Sir, let me be very candid about it. The simple answer is “no”. But again, Mr Speaker, Sir, the Prime Minister of Singapore said that it is better to accept a freeze or a decrease in salary and keep your job, than to have a high increase in salary and lose your job, Mr Speaker, Sir. If there is one Government that has done a lot for the poor, it's this Government, headed by the Prime Minister. Yesterday, they were complaining. They never did anything for eradication of absolute poverty, Mr Speaker, Sir.

(Interruptions)

Mr Speaker: But there is nothing to challenge. Hon. Jugnauth will put his question, and then the hon. Leader of the Opposition! Order now!

Mr Jugnauth: Mr Speaker, Sir, I heard the hon. Minister boasting about the raising of the ceiling of salary, where the full 5.1% is being given, from Rs3,500 to Rs3,800. But, we all know that when he took office, the ceiling was already Rs4,300, and he brought it to Rs2,700. Can he explain why he brought it to Rs2,700?

Dr. Sithanen: We did not do that, Mr Speaker, Sir. We have set up an independent institution. It is the independent institution, in its wisdom, that has done that. And people who have generated 40,000 jobless, who have raped this economy, who have increased public debt to 70%, are trying to give us lessons.

(Interruptions)

Mr Speaker: I am sorry! This is a simple question and the hon. Minister has explained and said that the NPC decided upon it. That's all! Hon. Leader of the Opposition!

Mr Bérenger: Mr Speaker, Sir, I have two questions if you will allow me. I listened to the hon. Minister. One thing which he has just said disturbs me. He referred to the NPC recommendations to say that these recommendations say that the firms which can't pay won't pay. In his Budget Speech, when he was talking about salary compensation, he referred to the NPC. I am asking the hon. Minister whether it means that there will be no Bill as there is every year. Does that mean that, as recommended by the NPC, only those who can pay will pay, and that there will be no Bill before the House to give this minimum, which is insufficient, to all the employees?

Dr. Sithanen: There will be a Bill, but there will be exceptions.

(Interruptions)

Mr Speaker: When the Bill comes, we will discuss about it. Time is over!

Mr Bérenger: I have one last question, if you will allow me. The hon. Minister has not given the guarantee that, as we move to the calendar year, there would be another salary compensation as from 01 January 2010. He has said that we will cross the bridge when we reach it. Can we interpret that as meaning that there will be, between now and November/December, the possibility of another salary increase as from 01 January 2010?

Dr. Sithanen: Mr Speaker, Sir, the hon. Leader of the Opposition keeps saying that the situation is bad and we have to protect jobs. We have to see how the situation evolves and we will take a decision based on what will happen to the global economy and what will happen to the local economy.

Mr Speaker: Time is over!

MOTION

SUSPENSION OF SO 10(2)

The Prime Minister: Sir, I beg to move that all the business on today's Order Paper be exempted from the provisions of paragraph 2 of Standing Order 10.

The Deputy Prime Minister rose and seconded.

Question put and agreed to.

(12.10 p.m.)

PUBLIC BILLS

Second Reading

THE APPROPRIATION (2009) BILL

(No. IX of 2009)

Order read for resuming adjourned debate on the Appropriation (2009) Bill (No. IX of 2009).

Question again proposed.

The Minister of Information and Telecommunication Technology (Mr A. Dulull): Mr Speaker, Sir, it is with great interest that I am addressing this august Assembly. I wish to associate myself with the Members of the National Assembly who had already paid tribute to my colleague, the hon. Vice-Prime Minister, Minister of Finance and Economic Empowerment. My colleague has, this year again, proved to the nation that challenges can be met when the will is there. As goes the old Chinese proverb: "In stormy times, some people build shelters, others build windmills." In stormy times we, on our side, build both shelters and windmills and solidarity. Further, we provide for a sound recovery.

M. le président, la présentation du budget, je dirai même la présentation du plan d'action que le vice-Premier ministre et ministre des finances a élaboré, est un plan d'action pour résister à la crise économique mondiale. Le budget, le plan d'action a été préparé dans un contexte économique très difficile. Nous avons eu, pendant les derniers mois, pendant plus d'une année, une crise économique qui est le résultat non pas d'une crise financière, mais d'une délinquance financière; une délinquance financière à travers le monde qui a engendré une crise de liquidité réduisant drastiquement l'accès au capital et au crédit. Cette crise de liquidité a aussi amené une crise de confiance, débouchant sur une crise économique mondiale. Donc, le plan d'action que le vice-Premier Ministre nous a présenté est dans un contexte exceptionnel, et je dirai que l'objectif principal de ce plan d'action est...

Mr Speaker: I wish to inform Members of the House that they should not repeat arguments or repeat the arguments which have already been made, according to our Standing Orders and Erskine May. They should refrain from repeating arguments or arguments which have already been made by their colleagues.

Mr Dulull: Donc, je dirai que les objectifs sont multiples, dont la protection de l'emploi, la base même de ce plan d'action, et il faudrait faire une évaluation. *We don't have to do a cost benefit analysis, but we have to measure the cost of job protection against the cost of job losses*, notamment ce que cela coûte à la nation, les pertes d'emplois, ce que cela donne, les bénéfices de la préservation de l'emploi. M. le président, le coût de la perte d'emploi est trop élevé pour la nation dans son ensemble, pour la société et pour les employés. Il faut mesurer le coût de la perte d'emploi. De l'autre côté, nous avons aussi le coût de la préservation de l'emploi. On a vu le coût de la préservation de l'emploi: le coût du *Stimulus Package*. Le coût du *Stimulus Package* est chiffré à plusieurs milliards de roupies, mais le coût de la perte d'emploi est beaucoup plus que des milliards de roupies. Il y a la personne humaine au centre de cette protection et cela ne peut pas se quantifier, M. le président.

Je dois aussi vous dire que dans le contexte économique actuel, c'est important de voir le mode d'opération d'une économie globalisée. Avant le processus de la mondialisation, il était très commun, parmi des pays, d'essayer de mesurer leur ouverture économique. Comme on dit: *the degree of openness of an economy in relation to its trading partners and the degree of openness of any economy was dependent on some factors like the interest rate, the inflation rate and movement in the foreign exchange*. Dans une économie globalisée, les changements au taux d'inflation, au taux de change de nos partenaires commerciaux vont nous affecter très rapidement parce qu'il n'y a pas de barrière au commerce. Donc, ce qui se passe à l'étranger nous affecte directement. Mais, maintenant, la question qu'on se pose est: si l'économie mondiale est tant affectée, est en crise, pourquoi notre petite île Maurice résiste toujours à la crise? Est-ce une coïncidence, une bénédiction divine, est-ce la vision et le courage du Premier ministre d'avoir enclenché des réformes dans les budgets précédents?

Les réformes enclenchées dans les budgets précédents étaient critiquées par les différents membres de l'opposition. Ils trouvaient que les réformes n'étaient pas justes, les réformes étaient prématurées et, maintenant, avec la crise, c'est une autre paire de manches. N'avions-nous pas, dans les budgets précédents, initié les

réformes, aujourd'hui, l'île Maurice aurait été au centre, à l'œil du cyclone économique; et on résiste, tant bien que mal, à la crise.

M. le président, je dois aussi vous dire que personne ne peut mesurer la profondeur, l'étendue de la crise. Mais une chose est sûre: la crise mondiale ne fait pas de discrimination de couleur, de race, d'âge et même de sexe. Tout le monde est affecté par la crise et il nous faut consolider pour pouvoir mieux résister. Les mesures budgétaires que le vice-Premier ministre a annoncé, c'est la protection de l'emploi. Pourquoi la protection de l'emploi? Notre économie est structurée de telle façon que la préservation de l'emploi est un facteur qui contribue énormément aux activités économiques; une économie basée sur la consommation, une économie qui ne doit pas être ralentie, parce qu'un ralentissement des activités économiques va engendrer un ralentissement à tous les niveaux. Et la préservation de l'emploi va maintenir les activités économiques à un niveau soutenable.

Les pays développés ont un inbuilt mechanism in their system of unemployment benefit. Why unemployment benefit in a developed economy? The reason is simple. In case of massive job losses, the population is not deprived of its consumption pattern, because these economies are based on a well-defined conception pattern and any decrease in consumption pattern will lead to disinvestment and will have cascading effects on the overall economy. So, they have to sustain a level of consumption to keep the economy moving. In Mauritius, we do not have this inbuilt mechanism of unemployment benefit. What we should do is try to protect employment to sustain the level of economic activities. Mr Speaker, Sir, preserving and protecting employment is the main focus of this Budget. We have seen across the world economies that are traditionally thought to be solid and well-developed, due to this economic turmoil, are melting down like ice in the sand. An example is Iceland. Who would have thought that such a well-developed economy would have gone bust? Developed countries are in recession with massive job losses cutting across all sectors - like I mentioned, all ages - and I have to say they are trying to protect the economy with other forms of aids to trade. When the Stimulus Package was introduced across the world, it had a very definite purpose: to stimulate the economy to protect job losses. If you want to protect job, you have to protect the enterprise. There is no way you can protect job leaving the enterprise unattended.

Mr Speaker, Sir, the culture and mindset of the common Mauritian citizen has played a key role, which we often overlook. Contrary to the culture of a *société de consommation* in other countries, we have nurtured to save for the future instead of overspending and ending in a debt trap. Mr Speaker, Sir, we have to be cautious.

We want to protect jobs; we want to protect enterprises, *mais il faut être prudent. Certaines entreprises ne doivent pas crier au loup et placer le fardeau de leur mauvaise gestion sur le compte de la crise actuelle.* Companies that have been mismanaged and would have closed down in normal circumstances, would tend to put their failing on the account of this current crisis to avail themselves of facilities being offered to those genuinely affected by the current crisis. However, although, globally, the GDP growth is shrinking almost all over the world, there are indications that the situation in the ICT sector, particularly in Mauritius, is encouraging, and we are optimistic that this sector can play a cushion role to the adverse effect of this crisis.

M. le président, ce n'est nullement notre intention de bâtir notre bonheur sur le malheur des autres. La crise économique est en train d'affecter les pays européens, les Etats-Unis. Une façon de résister à la crise, c'est de réduire le coût des transactions. Réduire le coût des transactions peut se faire par externalisation des services, et l'île Maurice est bel et bien positionnée pour pouvoir attirer le BPO pour l'externalisation des services et, là, le secteur des TIC a un rôle très important à jouer, afin d'attirer les investisseurs et élargir la base du BPO.

Mr Speaker, Sir, the ICT sector is compelled to expand in the midst of the worldwide crisis. Since business outsourcing, through the use of ICT related services, is a proven way to reduce organisation costs, as a matter of fact, the global outsourcing market has grown from US\$23 billion in 2008 to US\$100 billion in 2009. As rightly mentioned by my colleague, the Minister of Finance, enterprises in the ICT industry have been expanding from 10% to 12% in the midst of the global recession. May I, Mr Speaker, Sir, bring some figures from the local industry? The export-oriented IT BPO sector contributes to 5.8% of the Mauritian GDP with 258 companies employing over 10,000 persons. The sector is expected to continue to grow in 2009 by about 20%, with new entrants, as well as expansion of the activities of existing operators with the creation of thousands of direct jobs. Mr Speaker, Sir, the ICT industry has the potential to grow more. Among the parameters necessary to remain and become more prominent on the map of outsourcing world, we can name those two: cost competitiveness and quality of our service.

M. le président, dans notre élan de promouvoir le secteur des TIC, on est en train de voir la façon à pouvoir réduire nos coûts et à améliorer la qualité de nos services. En ce moment, on est en train de voir comment augmenter la vitesse de la connectivité et aussi donner plus d'assurance aux investisseurs. Le projet de câble à fibre optique est en train de se matérialiser et on espère que vers la fin de cette

année ou le début de l'année prochaine, le câble sera une réalité dans le sens que la connectivité sera améliorée à un tarif réduit. *It is worth mentioning that we have initiated together with many ICT professionals across the public and private sectors, certain initiatives that go along this line.*

M. le président, la formation est un facteur déterminant pour la promotion du secteur des TIC. Il n'y a pas d'expansion du secteur sans une formation bien orientée et que le gouvernement, dans le budget, a fait provision pour une somme de plus de R 21 millions pour la formation. Je dois vous dire que les négociations ont été entamées pour la création de l'ICT Academy avec la participation du Human Resource Development Council, IVTB, OTAM, le ministère des TIC et d'autres organisations. Le ICT Academy sera abrité au quartier du knowledge-based centre de l'ex-BAT Building. On est en train de voir comment former le personnel. L'objectif est de former 2,000 personnes pour le secteur. *The annual requirement of the ICT sector is 1,500 trained personnel yearly and the annual intake would be 2,000 which is sufficient to cater for the needs of the ICT sector.*

M. le président, le secteur des TIC est en train de se réinventer. We have been talking about BPOs, but there is also a huge scope of expansion in the Disaster Recovery Centre and the Green IT. *La tendance mondiale est de bouger vers the Green IT and Government is committed to promote the Green IT.* We have a project at Flic en Flac to promote the Green IT park. Couple of weeks before, we had a meeting under the chairpersonship of the Deputy Prime Minister, Minister of Renewable Energy and Public Utilities, Dr. the hon. Ahmed Rashid Beebeejaun, where we have already laid out the plan for the Green IT park that will use sea water for air conditioning, solar energy and bagasse to produce electricity for the Green IT park. We are also in the Business Continuity Sector promoting Mauritius as a Disaster Recovery Centre. During my visit to India, we met several IT operators who are willing to come to Mauritius to establish their Data Recovery Centre.

Mr Speaker, Sir, *le secteur des TIC est un secteur porteur et le gouvernement est très engagé à promouvoir ce secteur et à faire de ce secteur the next pillar of the economy.* Mr Deputy Speaker, Sir, with your permission, I would like to highlight the key measures which have contributed in reinforcing the resilience of the ICT sector and which will further develop Mauritius into an all-inclusive information society. First, there is the legislative framework. In that regard, the Data Protection Act enacted in 2005 has been fully proclaimed in December 2008 and further amendment has been made as part of the Stimulus Package with a view to enhancing the image of Mauritius as a safe destination for

undertaking BPO and IT enabled services. It is our conviction that the new BPO and IT enabled services ventures will take off with this added motivation in our legal environment.

Further, Mr Speaker, Sir, the Electronic Transaction Act was amended just recently to enable ICT Authority to discharge the function and exercise the powers of the Controller of Certification. This measure is the basis for safe, trustworthy and fault free electronic transaction through the setting up of a National Public Key Infrastructure, the first in the region. This infrastructure will, through the use of digital signature, enable secured application such as e-procurement and online income tax return among others.

Further, Mr Speaker, Sir, legislation such as the Child Online Protection Bill, the Spam Control Bill as well as amendment to existing ICT related legislation are being actively worked out to consolidate the policy and the regulatory framework of the ICT sector. Mr Speaker, Sir, the House may wish to note that regulation had been made in October 2008 to prescribe the manner and the basis of contribution into the Universal Service Fund. The Fund provides for the implementation of projects that will bring telecommunications services to as many as possible at prices that they can afford and which are essential to social and economic inclusion. It is one of the measures to help alleviate poverty. Projects are being implemented, Internet access and services to bridge the digital divide, e-empowerment of the community to support socio-economic projects.

Mr Speaker, Sir, there is the unprecedented infrastructural development of the ICT sector. The development of the Ebène Cyber City is a marked example of the level of success registered by the booming ICT sector and as envisaged by the Government. So far, 33 construction projects have been completed or are on the verge of completion at Ebène. In this current Budget, provision has been made to further boost the construction industry and I am thankful to the Vice-Prime Minister to give a special support to the construction industry so that the ICT sector can benefit the most.

Mr Speaker, Sir, the e-Government project is being implemented to make Government services more accessible for citizens and businesses besides modernising Government services. I am pleased to inform the House that a number of high impact interactive e-services have been deployed for citizens and businesses. Over 45 more additional e-services will be posted online. These services include, among others, application for social and well-being of our citizens so as to make it easy for them to transact online with Government. Mr

Speaker, Sir, even in this august Assembly, we have introduced a Digital Recording System since March 2009 to record Parliamentary Questions and debates. The system supports voice to text conversion facility for transcription of recordings, thus providing near instant transcription. In line with budgetary measures announced for facilitating access to legal services of the Judiciary system, a computerisation project for electronic submission of details of court cases by Attorneys to the Judiciary is being envisaged. Moreover, the Judiciary will computerise its major activities to enhance its operation. The Government is very committed to transform Mauritius into a cyber island, and this vision has been spelt out by the Prime Minister. We are witnessing the transformation of Mauritius. The concept of e-citizen will soon be a reality. The e-payment gateway would be implemented to enable citizens to make on-line payment for Government services. One of the first projects which is being envisaged in this context is the on-line payment of taxes to the Mauritius Revenue Authority. We hope that, by the end of September, taxpayers will be able to file their return electronically and paid on-line.

Mr Speaker, Sir, e-procurement will soon be implemented with the assistance of Indian authorities. This system would contribute significantly to streamline procurement processes, thus fast tracking procurement. Significant financial resources have been allocated in this budget to further enhance law and order in this country. And I am pleased to add that the comprehensive crime occurrence tracking system is also under implementation. Automation processes dealing with complaint at the Police station will allow close monitoring of crime occurrences in the island and provide crime statistic in real time.

Mr Speaker, Sir, the computerisation process of the island is an ongoing and dynamic exercise. Government is providing the optimal resources to transform the island. In this Budget, we have witnessed the efforts by Government to keep the island and to make the digital island a reality.

Mr Speaker, Sir, I would like to mention some national initiatives that have taken place in pushing Mauritius in the Internet era. Discussion has been ongoing since 1995 between Government and private companies owning the country code top level domain name, in other words, the '.mu'. I am pleased to inform the House that on 22 April, this year, an agreement has been signed between the two parties for the '.mu' administration to come under the supervision of the Government, in line with international best practices. The Computer Emergency Response Team of Mauritius is in its second year of operation; the CERT-MU has held information

security awareness sessions for its constituents on five occasions on topics such as adoption of information security best practices and next practices.

Mr Speaker, Sir, one of the first prerequisites to measuring information society is to agree on a set of harmonised definitions of ICT indicators. The publication of a report on the state of the ICT development will indicate the current state of ICT exploitation, and the ICT industry development is also under preparation. Mr Speaker, Sir, it is well-known to each and everyone that the ICT development is reshaping the world; the way we do business, the way we transact, the way we behave and even the way we think.

Aucune nation au monde ne peut aspirer à devenir une grande nation sans l'apport et le soutien de l'informatique. Je dis toujours que l'informatique est un outil incontournable dans notre quotidien. Et que la démocratisation de l'économie et le combat contre la pauvreté passent par l'accès à l'informatique. Les outils de l'informatique sont des outils de développement d'aujourd'hui et demain. Le gouvernement est en train de mettre à la portée de la population, aux plus vulnérables, les outils informatiques et l'accès à l'internet. On veut développer une informatique de proximité; c'est l'informatique au service de la population et non pas la population au service de l'informatique. Ce qu'on veut créer c'est une nation qui peut, à travers les outils informatiques, assumer son destin. Je dois dire aussi que la mesure de la pauvreté, aujourd'hui, n'est pas la mesure monétaire. Si on gagne plus d'un dollar ou deux dollars quotidiennement, ce n'est plus la mesure de la pauvreté. La pauvreté se mesure par l'accès à l'informatique; la facture numérique. C'est cela qui détermine la mesure de la pauvreté. Le combat contre la pauvreté passe par l'accès à l'informatique, et le gouvernement est très déterminé à combattre la pauvreté à travers l'accès à l'informatique. M. le président, j'ai parlé de l'informatique, l'engagement du gouvernement à promouvoir l'informatique de la proximité, à faire la démocratisation de l'économie à travers l'informatique.

M. le président, j'aurais souhaité parler d'autres aspects de ce plan d'action. *M. le président, dans le budget précédent*, the Government had taken the right initiative, at the most appropriate time, to introduce and encourage Islamic finance within our economy. *Sharia* compliant forms part today of the world financial lexicon. This Government, in its wisdom and vision, is moving forward together with the private sector to offer a wider portfolio in the banking and insurance sector. This, *per se*, has a positive impact on the success of our financial sector at global level.

The Government is further promoting, within this Budget, another Sharia compliant, namely the Sukuk, which is well-established worldwide. Mr Speaker, Sir, it is not a matter of coincidence that we are witnessing the inflows of FDI from middle, eastern and gulf investors. A lively example is the visit of Prince Al-Waleed bin Talal and his delegation. The Prince does not warrant any further introduction, and will definitely be an icon for others of his calibre to follow.

M. le président, les Sukuks sont les obligations de la finance islamique. Les Sukuks sont des titres d'investissement adossés à des actifs réels des biens et services. Il représente une quote-part indivise des propriétés sur les actifs générateurs du flux financier. Les Sukuks forment partie des produits financiers dont la structure et l'utilisation sont conformes aux principes de la Charia.

Mr Speaker, Sir, the promotion of Islamic finance within our economy is yet another milestone to extend our economy, and to make us globally competitive in the banking and insurance sectors.

M. le président, je voudrais, avant de terminer, faire quelques observations sur les remarques que le *Leader* de l'opposition a faites concernant le budget. Il y a une chose qu'on ne doit pas perdre de vue. Ce budget, ce plan d'action est présenté dans une situation économique sans précédent où les réalités économiques qui sont, comme on dit traditionnellement, *taken for granted*, ne tiennent plus la route. Il faut se réinventer, se déroger de nos traditions et être audacieux pour pouvoir mieux résister à la crise. Le *Leader* de l'opposition trouve insuffisant ce qu'a fait le ministre des finances dans le budget pour le combat contre la pauvreté. Je dois vous dire que, quand ils étaient au pouvoir, *they promised castle in the air; we have delivered integrated village*. Le combat contre la pauvreté, M. le président, ne se fait pas en isolation. Si on veut aider une personne pour quelques jours, on lui donne à manger. Si on veut aider quelqu'un pour quelques années, on lui donne un emploi. Si on veut aider quelqu'un pour la vie et des générations, on éduque la personne, on forme la personne. Le plan énuméré dans le dernier budget a clairement démontré *that if you want to help the poor, help the poor*. Il faut orienter les ressources aux plus vulnérables, aux plus nécessiteux. Le plan d'éducation, - accès aux plus vulnérables - a, je dois dire, été un succès. Le nombre d'enfants, qui n'étaient pas scolarisés dans des régions moins fortunées, ont vu leur destin changé avec la scolarisation. Cette année encore, le combat contre la pauvreté, à travers l'outil de la formation et l'éducation, est bel et bien une réalité. L'acquisition du *knowledge based centre* à l'ex-BAT *building* est un exemple concret. La provision dans le budget pour la création d'une nouvelle université est encore un exemple concret de notre combat contre la pauvreté, mais le *Leader* de

l'opposition vient nous dire que le gouvernement ne fait pas assez. Quand on le fait, ce n'est pas assez; quand on ne le fait pas, on ne fait rien. Quand on aide les entreprises, on aide les riches, mais c'est toujours la même rengaine qui, comme on dit, ce sont des disques rayés. Je n'ai pas l'intention de commenter les remarques du *Leader* de l'opposition sur la compensation, parce que le vice-Premier ministre l'a déjà fait. On connaît un peu la saga de 1982. 2% avant, après, et pendant la négociation. On connaît tout cela, et je ne vais pas venir là-dessus. Mais, ce que je dois dire, M. le président, c'est que l'heure n'est pas à la démagogie. Il faut regarder l'avenir avec beaucoup plus de sérieux. Il ne faut pas être des prophètes de malheur, pratiquer une politique de terre brûlée, parce que quand l'île Maurice brûle, c'est toute la nation qui va brûler, y compris les prophètes de malheur. Il faut regarder l'avenir, être solidaire. L'heure n'est pas à la démagogie, mais à la solidarité. Quand je regarde la crise à travers le monde, je pense au *Leader* de l'opposition. La crise mondiale est sans précédent; le monde est en train de perdre des emplois à une vitesse vertigineuse; on est en état d'urgence économique. Je dois dire que le *Leader* de l'opposition *is very far-sighted* pour avoir pu, en 2003, prédire la crise mondiale. Qu'a-t-il fait pour que l'île Maurice puisse résister à cela? Rien, sinon endetter où la dette était vraiment insupportable. M. le président, comme je l'ai dit, l'heure n'est pas à la démagogie, mais à la solidarité.

The road ahead is most challenging. The Government, under the leadership of the Prime Minister, Dr. Navin Ramgoolam, is transforming the country into a modern nation, where each citizen gets his right and his duty – *le sens du devoir et de la responsabilité*.

At 1.00 p.m. the sitting was suspended.

On resuming at 2.06 p.m. with the Deputy Speaker in the Chair.

Mr Dulull: M. le président, je suis arrivé à la fin de mon intervention. Pour conclure, je voudrais faire ressortir que nous avons débuté l'année 2009 en pleine crise économique avec néanmoins une motivation pour relever le grand défi. Bien que le défi soit accompagné d'incertitude, manque de visibilité, prend aussi dans son sillage des opportunités pour l'avenir.

Merci, M. le président.

(6.43 p.m.)

Mr N. Bodha (First Member for Vacoas & Floreal): Mr Deputy Speaker, Sir, it is always a great privilege to stand up in the National Assembly and to address one of the most important Bills, the Appropriation Bill, which caters, in fact, for appropriation of funds for the future. Of course, this is going to be exceptional because we are going to have a budget for six months. On this side of the House, we want to be an eye-opener; we want to re-read the statistics and the figures. We want to come with intelligent criticisms and we want also to be, *ce que j'appelle, une force de propositions*. This is going to be our line and my hon. colleague, the leader of the MSM will, in the end, sum up the debates on our side.

Mr Deputy Speaker, Sir, what is the finality of political decision-making? Because figures are figures, but we, political leaders, political decision-makers, there should be a golden thread in what we do. And what should be the finality of our political action? What should be the finality of this Budget or the Additional Stimulus Package? I will again say it; the finality should be what the *l'Alliance Sociale* had said: "Putting People First". This is a fundamental finality and we agree on this, but the question is, Mr Deputy Speaker, Sir: whether we have done this with this Budget Speech. I am going to come to that later. We have today a profit maximising market economy and last time when we debated the Additional Stimulus Package, I raised the issue of profit-making and the issue of greed and the more so the problems compounded in Mauritius by the reality of history, of concentration of assets, of economic power and the whole question then is: when we come to the Budget Speech how do we deliver as regards to the major stakeholders? The Vice-Prime Minister and Minister of Finance has laid three priorities: saving jobs - when it comes to saving jobs, it relates to the working class, that is, the majority of the Mauritian people; protecting people - in his mind he is protecting the most vulnerable, but when we say 'Putting People First', for me it is larger than the most vulnerable, and then preparing for the recovery.

Well, he has coached it in these words because in the whole world, Stimulus Packages are being used to reconstruct infrastructure, to rebuild the nation so that when the time of growth comes, you will have all the infrastructures for growth to take place and we can recover from the recession. Mr Speaker, Sir, we have a profit maximising market economy, we have to live with it, but as the Nobel prize winner Amartya Sen said: "we should consider the powerful role of non-profit values", and argues that humanity, justice, generosity and public spirits are qualities which we need in times of crisis. So, the question is whether this budget refers to these values. Because they are our values and, I think, to some extent, it

was also the values of the Labour Party when they started. The question is whether these values are still here. And if it is still here on the other side of the House: whether the Minister of Finance applied these values? This is something else. Mr Deputy Speaker, Sir, I am going to start with a proposal and I am going to end with a proposal.

My first proposal is that we need to build modern Mauritius. We agree that we do not have the infrastructure that we deserve in order to address the challenges of the next 20 years, be it at the airport, at the port, the road network system and the utilities. We all agree on this, Mr Deputy Speaker, Sir, that we have lost a lot of time, we have earmarked projects, we have had ambitious projects, we have had budgetary lines, year in year out and we all want this, that is, building modern Mauritius. We need to succeed, Mr Deputy Speaker, Sir, and maybe the time is right, in a time of recession, to build the basis and the infrastructure for modern Mauritius of the 2020 and to implement those projects, be it the dream bridge, the circular road or the light rail. We have to build capacity to succeed. This time, Mr Deputy Speaker, Sir, is the right time because we have the money, because we are increasing the national debt like other countries are doing, that is, we are fuelling the economy with funds to build infrastructure.

Everybody is doing that, from the United States to China and India. *C'est comme si on utilise les temps difficiles pour emprunter, pour consolider la maison* so that tomorrow we can move a step ahead. So, the time is the right time, we are facing a formidable crisis, we have the funds and we have the projects. Why can't we succeed then, Mr Deputy Speaker, Sir? What I am proposing, Mr Deputy Speaker, Sir, is that we have a High Powering Committee and not a High Powered Committee, chaired by no less than the Prime Minister to sit every month with the best of our public servants and technical staffs from all Ministries concerned to see to it that the money spent under the projects gets under way. Only a Prime Minister can do that, Mr Deputy Speaker, Sir, because in five years we spent about Rs60 billion in this country.

We built 40 schools, we built 15 hotels, we built the cyber city and we had the sewerage project. We can do it, we can deliver and time has come to deliver, Mr Deputy Speaker, Sir, and my first proposal is that we have this High Powering Committee. We owe it to the nation. Otherwise what is going to happen? Year in year out, we will have budgetary lines with billions and nothing happening. We owe it to the nation, Mr Deputy Speaker, Sir, at a time of crisis and we owe it to our future children of tomorrow when it comes to the nation that we want to hand over to them later. Mr Deputy Speaker, Sir, we can do better, we can harness the

capacity, we have everything today, why shouldn't we see it happen in concrete terms? Mr Deputy Speaker, Sir, we are borrowing to build for tomorrow and we are finding solutions to the acute problems of today, at a time where traffic congestion is costing billions, free transport is not living to our expectations and our population is not getting the service that they need and they deserve. So, that is my first proposal that we have a High Powering Committee chaired by the Prime Minister to see month after month that the projects are completed. I will come to another proposal later, but now let me go to macro economics.

Mr Deputy Speaker, Sir, everybody has talked about the crisis, I remember last time I said: *c'est le système financier qui tient en otage l'économie réelle*. It's the financial system which is, in fact, impacting on the real economy and I took an example. You may have a multi-national which forecasts 5% of profits and they achieve 4% of profits. So, they are still profitable, but the shares go down, because we have, as the Republican President, said that we are in a casino, because people are speculating on the shares and money belonging to the other, and this is impacting on the real economy, Mr Deputy Speaker, Sir. We heard, for example, that the oil reserves in the United States for one week had fallen and the price of oil went above 50 dollars. These speculators choose one commodity and the price of those commodities go up and, as I said, *ils tiennent en otage l'économie réelle qui se défend aujourd'hui, qui essaie de trouver un nouveau souffle après la récession*.

Mr Deputy Speaker, Sir, the regulation of the financial system in the United States, in the UK and everywhere is needed and everybody now knows that it has to be done. Otherwise, what is going to happen, it will be the end of the system, it will crash. This was said by *un cadre* in 2002. This was said by some people, some specialists many years before and later I will come to the Bretton Woods institutions. Mr Deputy Speaker, Sir, today we have elevated levels of uncertainty. What is the recession? It is like a train. One country enters the tunnel in the dark; the second one follows; the third one follows, now everybody is in the tunnel. The last one, it was yesterday, South Africa. So, we are all in the dark today. Now, the problem is: we are talking about bottoming up; we are talking about being ahead of the curve. But nobody has seen the light yet, which means that we are all in the dark and nobody has seen the light yet, so, there is no visibility as regards the end of the recession, the depth and extent of, what we call, the downturn. So, we are all today in a world of uncertainty. We have economic uncertainty and, in Mauritius, delayed infrastructural projects. As I said, over the years, we have not achieved much, we have worrisome bottlenecks in the implementation of earmarked public infrastructure - I will come to the funds later - we have the money which is earmarked, but it is not done, and we are year in year out mentioning those projects

again. We have a degenerating savings ratio in Mauritius, we have unemployment and, today, we have the brunt of reduced demand prompted by economic difficulties. Mr Deputy Speaker, Sir, that is where I come with something fundamental.

Mr Deputy Speaker, Sir, the Vice-Prime Minister always *garde deux épées de Damoclès sur la tête du pays. Premièrement, le mythe de VAT*. Year in year out, he says I am not increasing VAT, I am not doing this because otherwise I will have to increase VAT *et il tient cela comme une épée de Damoclès systématiquement dans tous ses discours* and then he has written in the Budget Speech that if he has not done this, he has not increased VAT. *La deuxième épée de Damoclès sur ce pays, sur la classe ouvrière*, there are the labour laws which we have voted in this august Assembly, Mr Deputy Speaker, Sir, and the labour laws, today, have made employment precarious, have given the private sector, the employer the right to hire and fire. At the same time, you have laws saying that you can hire and fire and then you have a budget saying that we are saving jobs. *Et aussi longtemps qu'il y aura l'épée de Damoclès de ces deux législations qui augmentent la précarité de la classe ouvrière, nous ne pourrons pas réussir, M. le président*. So, the first thing we have to do is we have to suspend the laws; we have to sit down again to bring laws which are pertinent to the reality of today, Mr Deputy Speaker, Sir.

Let me come to the VAT. The Vice-Prime Minister has stated both on radio and on newspaper interviews that other countries have recently raised VAT to combat the recession. So, Mauritius needs to thank him for not raising VAT. I am going to ask him one question, Mr Deputy Speaker, Sir. May I ask him whether he can give us an example? Can he name a country which has increased VAT in time of recession? No country has done that, Mr Deputy Speaker, Sir! And I am going to give you examples of the USA, Canada, UK, France, Germany, Australia, India, China and Singapore where there is no increase in VAT. All the countries, yes! And I am coming to some countries which have, in fact, decreased VAT, Mr Deputy Speaker, Sir. After having listened to the Vice-Prime Minister last time when we had the Budget Speech, I was talking to my hon. colleague and I said my first impression was that he is a Minister of Finance who is running out of stream. When we see the first Budget, the way it was crafted, the philosophy and the vision, we see what he has delivered this time. It is, in fact, a series of measures without any golden thread. In fact, they are objectives for an ultra liberal policy, no more than that, Mr Deputy Speaker, Sir. So, this *épée de Damoclès* of the VAT is a fallacy, Mr Deputy Speaker, Sir. And we know that increasing VAT is like bringing the spectre of poverty again because you will have *une cascade des prix*.

Mr Deputy Speaker, Sir, in fact, leading countries have reduced their VAT to combat the current economic crisis and I'm going to give you a few examples. In the UK, in the latest Stimulus Package, VAT was reduced from 17.5% to 15%, that is, a 14% reduction. The UK has also increased the personal income tax rate from 40% to 45%. They have kept the low bracket unchanged in an attempt to reduce the gap between the rich and the poor. And I will explain to you, Mr Deputy Speaker, Sir, something which is fundamental, which the hon. Vice-Prime Minister has not done. He has done nothing to increase the purchasing power of the masses and this is one of the fundamental components of all the other stimulus packages, be it in the UK, India or elsewhere, that is, giving more money to the household to spend. On the contrary, he has not given what should have been given as was the case in the morning. He has not stimulated demand; he has not increased the purchasing power of the households in Mauritius, Mr Deputy Speaker, Sir. And one fundamental element of all the other stimulus packages elsewhere is giving more money to people to spend for them to be able to stimulate growth.

As far as demand is concerned, Mr Deputy Speaker, Sir, I told you about the UK. India, in January 2009, reduced their central *ad valorem* tax by 4%, that is, from 12% to 8%, that is, a 50% reduction. Again, why? To give more money to the households! And what we are seeing here is the contrary, Mr Deputy Speaker, Sir? That he is not giving money that the households should have won. He is not giving the salary compensation which the worker should have got. He is doing the contrary. That is why in my last proposal I am going to take Rs1 billion and say what we can do with Rs1 billion and you will see it's amazing. *Le soulagement qu'on peut apporter à toute l'île Maurice avec seulement un milliard. Je vais donner cinq ou six mesures qui coûtent un milliard de roupies en tout*, Mr Deputy Speaker, Sir.

I will come to the other stimulus packages. What is the Vice-Prime Minister doing? He has the wrong fiscal policy. It is just like the great depression in the 30s in the United States. He has the wrong fiscal policy; he is concentrating on spending by the enterprises. At the beginning, what did he say, Mr Deputy Speaker, Sir? That we are not protecting the jobs, we are protecting the workers. That is what he said when he was setting the stage for a robust growth. He said we are not protecting the jobs, we are protecting the workers. Today, he is saying to protect the job we have to protect the enterprise, which means that, at all times, it is the worker who is *le dindon de la farce* because we have to protect the enterprises to protect the jobs. Now, this reminds me of a statement made by François Mitterand. I had gone to a public rally when I was a student and he came and delivered a speech and he said: '*souvent on nous demande de préserver le train de*

vie du patron pour que la bonne puisse avoir sa petite soupe.' This is what we are doing, Mr Deputy Speaker, Sir. This is exactly what we are doing. We are giving billions so that this will trickle to the workers. No, this can be done, but we have to do something else, we have to give money to the worker and to the household and we have to give money to the 120,000 old pensioners, we have to give money for social benefits, and I am going to give you in figures how much it costs. And it is not a lot, Mr Deputy Speaker, Sir. So, what is happening? The rich are becoming richer and the poor are becoming poorer. The economy in Mauritius, we know, is concentrated in the hands of only a few powerful firms. Now, what is happening? We have an uneven distribution of wealth, which is going to be accentuated. We will have easy money for the private sector, we will have greater supply than demand, because we have not stimulated the demand from the consumers and the wages and purchasing power of the low and middle income groups are not keeping up with the level of prices, that is, inflation. We saw it in the morning and workers' earnings are not enough and they are just buying basic goods. This is the reality in the country today, Mr Deputy Speaker, Sir.

Let me come now to the issue of salary compensation. The inflation rate is 7% and we know, as rightly pointed out by hon. Pravind Jugnauth, that we have changed the way to calculate inflation. Had it been calculated in the same way as it was before, it would have been more than 7%, Mr Deputy Speaker, Sir, and it was more. With the 7%, we calculated a salary compensation of 5.1%. How did we calculate this? It was half of the inflation rate, that is, 7% divided by 2:3.5 and then we are told that the productivity in this country has fallen from 3.7% to 1.6%. If the productivity in this country has fallen from 3.7% to 1.6%, then I think we have a major problem. Productivity of our working class and our capacity to produce has decreased more than 50%. There is something wrong in this country. Is the hon. Minister of Finance addressing this? How to increase the productivity of the Mauritian economy? Nowhere had he said it! He just took a figure and it is a figure which he is using just for the calculation and he does not even address it as a problem. When we think of building capacity, when we think of training people, we have a huge problem if really the productivity in this country has fallen from 3.7% to 1.6%.

We take 3.5%, we add to 1.6%, we have 5.1%. Then, the ceiling is raised to 3800; this is the salary compensation, Mr Deputy Speaker, Sir. But we have to compound this with the fact that for the last three years we have not had compensation to the level of inflation, which means that, year in year out, the workers have been losing as regards their purchasing power. That is why I say that he has done the contrary. He should have increased the purchasing power of the

households to stimulate growth, but he always sees one thing, he always sees the private sector and those who, in fact, control the economy.

The Prime Minister took an example saying about the sea is rough, about the wind. I will take another example, Mr Deputy Speaker, Sir. *Pour moi, nous sommes dans une traversée du désert et la traversée du désert sera longue pour la classe des travailleurs parce qu'ils traversent le désert depuis longtemps, depuis trois ans déjà. La traversée du désert sera encore plus longue....*

(Interruptions)

Oui, ils traversent le désert depuis trois ans parce qu'ils ont perdu leur pouvoir d'achat. Maintenant, qu'est-ce qui se passe? Le vice Premier ministre et ministre des finances s'est toujours occupé des oasis, the oasis of riches. Il s'est toujours occupé des oasis et, aujourd'hui qu'est-ce qui se passe? Nous avons des tempêtes de sable, the hamseen qu'on appelle. Les tempêtes de sable viennent en rafales et il s'occupe toujours des oasis laissant le pauvre travailleur dans sa traversée du désert. This is exactly what is happening, Mr Deputy Speaker, Sir. He is still concentrated on the oasis, on the few. We are told that it is one billion, then one billion becomes three, then three becomes ten. But I am going to tell you, as I said, in one billion what you can do for the households, Mr Deputy Speaker, Sir.

I come back to the salary compensation. He said, this morning, as recommended by the National Pay Council that we are going to have a mechanism for those who cannot pay. There are a certain number of companies which are going to say that "we cannot pay" just as some of the top decision-makers in the Mauritius Employers' Federation had said "we need a salary freeze". That is what they had said. The position of the private sector before the negotiations of the NPC was that "we cannot pay any increase; there should be a salary freeze", Mr Deputy Speaker, Sir. Many of the companies are going to say "we do not have the capacity to pay". Then, I asked the Deputy Prime Minister who said "we are going to set up a mechanism" and he said that it is a tricky business. It is, indeed, a very tricky business because I am sure that many companies are going to say "we do not have the capacity to pay. If we pay we are going to fire the workers." Another *épée de Damoclès* parce qu'ils ont les moyens législatifs de le faire to hire and fire because the laws are there.

The second thing, Mr Deputy Speaker, Sir, is that he said that he is bringing the Bill very soon - because we have to bring the Bill every year - for the payment of the salary compensation in the private sector. He mentioned a word, he said

“exception”. What is he going to say in the Bill then? I wanted to ask for a copy of the Bill for last year. In fact, in the copy of the Bill, it will be said that a salary compensation as regards to the numbers which have been mentioned in the Schedule have to be paid, then we will have an exception, may be exception to those who can prove that they do not have a capacity to pay. This is what is going to come in this House, Mr Deputy Speaker, Sir. I am going to say, again, that one of the fundamentals of the Stimulus Package which is increase the capacity, the purchasing power of the households has totally been neglected by the Vice-Prime Minister. Everywhere else in the Stimulus Package there are three priorities. First is to promote facilities, funds for the stakeholders, those who are *les opérateurs économiques*. Second is to use money for infrastructure. Through all the Stimulus Packages, Mr Deputy Speaker, Sir, it is said, first, let the economy continue. We give public funds to private companies. I will come to that later as well. Second, let us take money and build infrastructure, create jobs, *créer un climat de croissance, de développement des infrastructures, de logement et de l’environnement*. That is we are indebted, we take money, but we take money to do what we can do. But the third one in all the Stimulus Packages, Mr Deputy Speaker, Sir, is to address the issue of the falling purchasing power of the vast majority of the population which is consisted of the low and the middle-income group. This has not been done. This will quickly affect the overall aggregate demand, unemployment and social stability.

One fundamental priority, as I said, which the hon. Minister of Finance has forgotten, is that in a country where there is recession, the prime objective should be to boost the economic powerhouse, but then you should give more money to those who need it, Mr Deputy Speaker, Sir, because as a result of high prices, they become poorer.

Today, we know the financial difficulty of the majority of the population who has a lot of problems to make ends meet. This is the biggest omission in this Budget Speech, Mr Deputy Speaker, Sir. What is happening in Mauritius today? There is the eroding purchasing power of the low and middle-income and high fuel prices. The price of petrol we are paying today, in Mauritius, Mr Deputy Speaker, Sir, is equivalent to \$150 per barrel. When we left Government in 2005, the price of diesel was half of what it is today and the price of the barrel on the world market is more or less the same that we had, about \$150. What we are paying today, Mr Deputy Speaker, Sir, tantamounts, equates to \$150 per barrel. And what do we have? We have low-income taxes for the high-income group, 15% only, Mr Deputy Speaker, Sir. We have lower job prospects. It is extremely easy to fire the workers with the new labour laws and commodity prices have doubled in the last

few years. In this context, this problem has not been addressed by the Vice-Prime Minister. *La traversée du désert ne l'intéresse pas, il reste dans le cocon des oasis.* Now, Mr Deputy Speaker Sir, a certain number of measures have been proposed and I am going to come over them. But the question is: what will happen if the global recession persists? Economic experts have said that no amount of Government subsidies can save jobs if the recession persists. We are giving a lifeline to some companies and if the recession persists, even those companies will have to hire and fire.

Mr Deputy Speaker, Sir, as I have said, we should suspend the new employment law or set up a committee with the private sector, *le patronat, les tripartites pour revoir la législation parce qu'elle est inadaptée au contexte économique actuel.* We should have employment laws which are pertinent to the reality of today *et non pas qui constituent une épée de Damoclès sur la tête de la classe ouvrière,* Mr Deputy Speaker, Sir. Now, the US Stimulus Package has dedicated \$7 billion as benefits to unemployed. Again, I come to this, he said protecting people, but he is only protecting seven, he talked about absolute poverty I am going to come to that. But who are the people he is protecting? That is my question? Who are the people he is putting first? How many are they? So, between those who are in the oasis and those whom he cares to shield, you have the majority of the Mauritian people, the majority of the households and they have nothing. The US Stimulus Package has dedicated over \$7 billion as benefits to the unemployed in addition, Mr Deputy Speaker, Sir. Children of unemployed parents are paid extra allowances; they are also given free tuition grants. Australia, China and Japan are also distributing free vouchers, many in an attempt to increase purchasing power and to induce people to spend, not the high standard of those who have problems to make ends meet. All major countries, as I said, are reviewing their taxes downward for low and middle-income earners and VAT. France is paying 200 Euros per household as income support. Mr Deputy Speaker, Sir, Japan is paying US\$20 billion as direct payment to households. And here what we are saying is that what we deserve is not given to the workers. This is the paradox, Mr Deputy Speaker, Sir. In Germany, US\$9 billion in reduction of taxes over two years principally aimed towards the low and middle-income.

The tax bracket will shift upwards and here the income tax bracket has remained the same. Why has the income tax bracket remained the same? It is Rs240,000 for single, Rs365,000 for a couple and Rs460,000 for a family of two. The brackets have remained the same. Why? He could have played with the brackets. He did not even mention here, Mr Deputy Speaker, Sir. So, in Germany the tax brackets has shifted upwards so that the rich people would be taxed more

than in the past while the people would be taxed less than the present. Unemployed benefits will be raised, Mr Deputy Speaker, Sir. In Australia, you have direct extra payment over 9 million low-income people over and above the employment benefits. Mr Deputy Speaker, Sir, when I said that I want to be an eye opener, what I wanted to say is saving jobs so that the economic powerhouse is doing well, is good. Preparing for the recovery, building infrastructure is fantastic, but protecting the people, he has failed totally, because he never thinks about them. Year in, year out he has failed and for him there are only people who are absolutely poor and he brought this absolute poor jargon which is a Bretton Woods jargon into Mauritius.

My question is: we had 7,157 families in 2008; do we still have only 7,157 families? What has happened to that figure? Has it increased, has it decreased, has it moved to 10,000? We are sure, Mr Deputy Speaker, Sir, that the poor have become poorer. So, what I am saying, Mr Deputy Speaker, Sir, is that we want to be an eye-opener on this issue that we have done nothing for the common, low and middle-income household. We can say that we have a number of measures and Mr Deputy Speaker, Sir, one of the papers, one of the titles on the front page was about the 200 measures and the hon. Minister was fond of funds and now fond of paths. The path of recovery, path one and two, but, I think, he was on a road, the path can be very dangerous. But he used the word 'path' and when he comes to path four which is protecting people, do you know how many paragraphs are there? 20! When it comes to saving jobs for the private sector, funding and everything and preparing the economy, there are 180 paragraphs. For the people of Mauritius, protecting them, it is only 20! It shows, Mr Deputy Speaker, Sir, where the priorities are.

(Interruptions)

Narrow path! Mr Deputy Speaker, Sir, I want to be an eye-opener; I want our friends on both sides of the House to understand this. You have to boost the economy in times of recession, you have to lend many to come with infrastructural projects, but you have to give many to the households because the households are today being stifled if their purchasing power is getting low and low and low.

This is the structure elsewhere, but this structure becomes more pertinent in Mauritius because we know how Mauritius is, I mean the social economic structure, those who have and those who don't have. We know how economic power is concentrated; we know that over the last three years the workers have not had their dues. Mr Deputy Speaker, Sir. The salary compensation is compensation

for purchasing power already lost the previous year. We should not forget this. It is salary compensation for the purchasing power already lost for the previous year. I think that the Leader of the Opposition and my colleague as well were right in asking what is going to happen next year. What are the provisions which we are going to have for next year? I wanted to be an eye-opener, Mr Deputy Speaker, Sir, and I mentioned the Stimulus Packages. I have a copy of the Stimulus Packages of many, many countries, Japan, France and the logic again is the same. You have to increase the purchasing power of the middle and low-income groups to show that you are able to give them the possibility to have a better living in this time of recession because they are the most vulnerable.

Mr Deputy Speaker, Sir, in Britain, as I said, other headline measures were cutting VAT from 17.5% to 15% for 13 months. It is a measure for some time. *Comme on dit : situation extraordinaire, problème extraordinaire, solution extraordinaire.* It is cutting the VAT for 13 months which would put - listen to this, Mr Deputy Speaker, Sir - an estimated 12.5 billion in consumers' pockets. They have raised the top rate of tax earning to 45%, which means that people who are on the high side pay more and people who are on the low side pay less. This is for Britain, as I told you, Mr Deputy Speaker, Sir.

I also mentioned other countries. I take Australia. The package includes spending 28 billion dollars on schools, housing for four years. Tax breaks for small businesses and cash handouts to eligible workers, farmers and students; up to 950 dollars would be paid to workers earning 100,000 dollars or less, supporting up to 8.7 million individuals who work in the Government sector. Mr Deputy Speaker, Sir, between the top people who earn huge salaries and the 7,157 people who are in absolute poverty, what does the hon. Minister of Finance do? He does nothing, Mr Deputy Speaker, Sir!

Mr Deputy Speaker, Sir, let me address the Stimulus Package as an instrument. There are many weaknesses in Stimulus Packages, Mr Deputy Speaker, Sir. You have disastrous time lags, which means the time when money is voted and money is actually used. I think we are right, on this side of the House, to ask scrutiny of how the money is spent. Who gets that money? What does he do with that money? Mr Raj Makoond from the JEC said that we have a joint committee. They make an analysis, a forensic auditing of the company to see whether they deserve that money and there is a monitoring after to see that the money is well spent to engineer growth and to save jobs. But this has to be monitored properly at the level of Parliament. The Vice-Prime Minister should come regularly to say that we have spent so many hundred millions and to whom

we have given them. We should not even ask questions because it is for the first time that public funds are being given to private companies. When we addressed the issue of Stimulus Package, I have stated that what we usually say in a free enterprise is that the capitalist has his money, we cannot tell him what to do with his money because it is his money and we are in a democracy. So, he can invest the money and spend it the way he wants. But this time, it is totally different, Mr Deputy Speaker, Sir, because we are spending public funds into private companies. Do you know what has happened in the United States, Mr Deputy Speaker, Sir, with Ford, General Motors? 15 billion dollars as Stimulus Package was given by the Obama administration to General Motors. But what were the conditions? The Chief Executive had to resign. Can we imagine the Parliament here or the Vice-Prime Minister asking the General Manager of World Knits to resign? Can we think of something like this because we are injecting hundreds of millions? Can we do that? No, Mr Deputy Speaker, Sir! So, the conditionalities of the Stimulus Package have to be there. Mr Makoond mentioned the time sheet, that is, when the money is going to be paid; they will have a calendar of payment. In the Budget Speech, the Vice-Prime Minister has said that we have to accelerate the process so that the time sheet is given as soon as possible. We should be careful. There should be transparency and accountability. To come back to Ford, the Chief Executive had to resign. And do you know what has happened, Mr Deputy Speaker, Sir? There is an obligation of General Motors, with a deadline, which is 01 June, to restructure the company and to bring in more investment. If they do not do it, they are not given the funds. So, the scrutiny of the funds in the Additional Stimulus Package is a must, and the Vice-Prime Minister should come regularly to Parliament to say that so much has been given to so many companies and why it has been given. This is about the disastrous time lags between the facts that the money is there. In the past as well, we have had credit lines for textile, for other factories. And what happened? The money was not used, either because of the conditionalities, of exigencies or of time lags.

Mr Deputy Speaker, Sir, concerning the Stimulus Package, the disadvantage is that it is national public finance which has to be borrowed, which means that it has an impact on the national debt - in spite of what the Vice-Prime Minister says - be it in absolute figures or in proportion of GDP. We have been borrowing Rs1 billion every month, since the *Alliance Sociale* Government has been here. This is a fact. And, Mr Deputy Speaker, Sir, high levels of borrowing affects national public finance.

Another weakness, as I mentioned, is that it is not addressing the immediate issue and concern of the households, that is, their purchasing power. What he is

saying is that if you don't have a job, you won't even have the purchasing power you have today. But what we are saying is that you protect the job, but, at the same time, you increase the purchasing power, which will, in turn, boost demand and, in turn, lead to growth. Mr Deputy Speaker, Sir, the Stimulus Package has to be accompanied by economic reforms to boost confidence. The Vice-Prime Minister has been saying so for long and he has been coming with reforms.

Let me come to one point, Mr Deputy Speaker, Sir, namely the SMEs. Many of us, on this side and also on the other side of the House, will address this issue of SMEs and, so, I am not going to go deep into it. But, we know that there are two fundamental weaknesses of SMEs in Mauritius. One is access to finance; second is marketing of products. These are the two major weaknesses. So, this Stimulus Package should have addressed these two issues. And when we come to access to finance - later on, we'll have a word about banking in Mauritius - everybody will agree that the price of money in Mauritius is too high. The banks are milking the business people, they are milking their customers. You can see the huge profits; billions and billions of profits with secured loans, Mr Deputy Speaker, Sir. I will come to that. What I wanted to say about the SMEs is that the Stimulus Package does not address this issue of access to finance. In many cases, the SMEs go to banks, they do not get the finance they need, because they do not have the security; they do not have the proper business plan; they cannot show a business instrument, which often would convince the banker to give them the money. So, that's wherein we have the Development Bank of Mauritius; that's where softer loan comes in and the Additional Stimulus Package does not address this issue, Mr Deputy Speaker, Sir.

Let me come to a few other issues, Mr Deputy Speaker, Sir. On the issue of education, I will mention just one point, and I would like the hon. Minister of Education to address it. Yesterday, he said that the best symbol of equity was free education. I agree with him. It is the best to give opportunities. But, today, there is one pillar of the system, which is a huge problem that we have to address. Mr Deputy Speaker, Sir, in this country, we have about 330,000 students. If 250,000 of those students take private tuition and the parents are spending on an average Rs400, that's Rs1 billion per month.

(Interruptions)

Mr Deputy Speaker, Sir, we cannot continue with this.

(Interruptions)

It is more than that. In fact, I wanted to ask a Parliamentary Question, but I am just giving a figure to trigger, to brainstorm. This country cannot continue with such a system when we are injecting Rs6 billion. When the hon. Vice-Prime Minister says that free education is a favour, that we could have done away with it, there are pressures, I agree with him that it cannot be.

The Deputy Speaker: Just a small point. Rs250,000 x 400 is hundred million not one billion.

Mr Bodha: I said, by 12, it's more than a billion for a year. But the hon. Vice-Prime Minister says that it is even more. What I am saying, Mr Deputy Speaker, Sir, is that this cannot continue. We cannot have a system with a parallel system and an economy of one billion. So, we have to do something about it and I am going to give an example. I have a daughter who goes to a French school and she had a report after the first three months. She was tested for 31 aptitudes; *capacité de lire, capacité de faire des amis, sport individuel, sport collectif, comment elle apprécie les couleurs, comment elle apprend*. Il y a 31 aptitudes à six ans. In our system, you are going to have the report of your child with English, French, Mathematics and EVS for six years, and we are spending Rs6 billion. The parents are spending Rs6 billion and another billion on top of that. So, I think, Mr Deputy Speaker, Sir, that something has to be done about this. The hon. Minister has started the debate, but, I think, we should go thorough about this because this is the education system which is fundamental to build the Mauritius of tomorrow, because we have only the human capital in our country. This is what I wanted to say about education.

Let me now come to the National Energy Policy. There was a report, which the European Union had requested for the disbursement of funds for accompanying measures in the sugar reform and that document was produced and submitted to the European Union. Otherwise, we would not have a disbursement of funds. But when we see that we have a sugar sector reform with the coal bagasse; when we see that we have the Covanta incinerator, when we see that we have the City Power Coal Plant, then, we have an impression that, in fact, there is no consistency and cohesion in the thinking and in the energy policy of the country. I think that, once for all, when it comes to Covanta and to City Power, the Government must take a decision. When it comes to the role of the CEB as service provider, as power producer, as regulator, this has to be addressed as soon as possible, Mr Deputy Speaker, Sir. We should know where we are going and we should not find ourselves in a position where, just like in South Africa, we don't have the power, we need to boost our economy and to ensure the standard of living that we have.

So, I think that this has to be addressed - the national energy policy with the priorities. Government should take a decision with regard to City Power and to the Covanta incinerator, that is, the power production of CEB; what are we going to do in the clusters with the sugar reform, because money is supposed to come from the European Union and we should be able to know where we are heading, Mr Deputy Speaker, Sir, because, as I said, we are building modern Mauritius.

I will come to eradication of poverty later, but let me address briefly the issue of procurement. We have changed the ceiling. We can have single projects managed without the Central Procurement Office, up to Rs15 m. If every Ministry were to implement one project of Rs15 m., it is already Rs1 billion of projects not being engineered, not being screened by the Central Procurement Office. I think there is a huge problem of transparency and accountability. For the image of Mauritius, when we see what is happening in a number of parastatals, when we see the way the STC, for example, had this huge problem of hedging, which we all have to suffer from, I think, that this is a very unwise decision and everything has to be done to see to it that there is transparency, there is accountability, and that those who implement the projects are taken to task if they don't do what has to be done, Mr Deputy Speaker, Sir.

Let me now come to poverty eradication. I think, we have to ask the question to the Vice-Prime Minister. He said 'defining poverty is difficult, fighting it is harder'. In the Budget Speech, last year, he mentioned 7,517 poor families. I want to know where we are today. Why are we using the same figure? That figure should be either less or more. We know that it is more because we know what has been happening in the country, more people are falling in the poverty trap. The Fund was Rs250 m. The question is: how much has been spent from that Fund? We know that the Vice-Prime Minister is very fond of Funds. Last year, there were six. He has changed the Funds into new ones. Let me take an average, Mr Deputy Speaker, Sir! That's why I said I want to be an eye-opener. What you write in figures and what is the reality often is a huge gap. If I were to take the 7,517 families mentioned by the Vice-Prime Minister and, in each family, I count three children, there would be 20,000 children. He said that he has done something for about 400 children. Now, how are the other children living? We know, Mr Deputy Speaker, Sir, that the 30% of CPE failure fall in this group. And when this is compounded by single parent family, when it is compounded by issues of social evils, by people not going to schools and children left to themselves, he is right in saying that defining poor is difficult.

But I think fighting is not as hard as he thinks. He has to think hard how to fight it. It is not fighting it which is hard, Mr Deputy Speaker, Sir. Mr Deputy Speaker, Sir, if we don't fight this section of our people, that's where we increase the dangers of disruption in our social fabric. Because, this is compounded with problems of housing, unemployment, prostitution, drug taking, single parents, teenage pregnancy, and children not going to school. He is right! He has identified the pockets, but we have to act. As I said, it is not fighting which is hard; we have to think hard how to fight it, Mr Deputy Speaker, Sir. There is something else which I would have liked to say. Can we, in Mauritius, in 2009/2010, still give people woods, poles and iron sheets to build *longères*? We should not do that, Mr Deputy Speaker, Sir. We cannot build, in 2010, what was built in 1960, after cyclone 'Carol'. We owe it to them to give them something better than the corrugated iron sheets. I will tell you what has happened. We cannot have *les longères en 2010. C'est une honte pour l'île Maurice !* We should find the money and this is a core problem. As I said, we have to think about it; we want to interpret the figures and his slogans better. Because in June 2006, we set the stage for growth; in June 2007, we had an early harvest, and a little bit later, we were told that we are resilient, and in June 2008, we expected a bumper crop. A few months later, we are told that we are not immune and, now, we are facing the brunt of the financial crisis. All this has happened in four years. But one thing is consistent: the purchasing power of the poor, the low and middle-income has gone lower and lower year in year out. In spite of all this, he has not addressed this issue in the Stimulus Package. When he comments his economic performance - he is very brilliant at figures, writing about them, and talking about them - do you know what he does? The Vice-Prime Minister and Minister of Finance has systematically chosen the best figures for his mandate, and compared it with the worst of the previous mandates. He has always systematically done this. He does so systematically for the growth rate, for the number of jobs created and for other economic indicators. And when it comes to the debts, on Friday 11 August 2000, in La Source, on a lorry, with the MSM banner, he gave the figure of the debt, which is Rs74 billions. But, today, he hides behind the percentage of GDP. He should not do that, Mr Deputy Speaker, Sir. For example, he will never say that on 11 August, 2000, he had criticised the growth rate of 2.1% of the then Labour Government of 1999, when hon. Dr. Bunwaree was the Minister of Finance. He was wearing an orange jersey. He will not say that, in 2001, with the MMM/MSM Government, the growth rate was 5.1%, when he was writing an article everyday in the written press then. The blunt truth today is that we have a growth rate of 2% and the fact that we have gone to the IMF, *cela veut dire que peut-être - je ne le souhaite pas - le pire est à venir.*

Let me now address the IMF syndrome, Mr Deputy Speaker, Sir. In spite of all that has been said and done, let us come to the IMF and the Bretton Woods institutions, because going to the IMF and the Bretton Woods institutions is going to the Intensive Care Unit of global finance, whether we want it or not. Whether you quote it a Flexible Credit Line (FCL) or a standby agreement, you are still going to the ICU. Whether it's a simple bypass or an open heart surgery, it is still going to the ICU, Mr Deputy Speaker, Sir, because there are conditionalities and constraints. Mr Deputy Speaker, Sir, did the IMF and the World Bank predict the financial crunch? They were taken unaware themselves. And how have they responded to the demands of developing economies and even developed economies that have been bearing the brunt of the downturn, Mr Deputy Speaker, Sir? What have the Bretton Woods institutions done so far? They have not done much. But, for us, being a few rare countries going to the ICU, it is like a solution of the last resort. Because, as I said, neither the IMF nor the World Bank predicted the devastating financial crisis nor have they come today with any projection about the end of the crisis and imaginative solutions. The IMF and the World Bank are as much in the black tunnel without the visibility and bearing the uncertainty as we are, Mr Deputy Speaker, Sir. Mr Deputy Speaker, Sir, I don't know whether it was a wise decision, but it is clear - the hon. Leader of the Opposition mentioned it - that the IMF is still fumbling to find solutions.

Let me now come to the funds. Mr Deputy Speaker, Sir, it is clear that the funds are not working. I would like to ask the Vice-Prime Minister to explain a few things to us. In June 2008, we had the Estimates of Supplementary Expenditure. I think hon. Members in this House would remember, we had said we are voting an ESE for expenditures to be done. We said that this was voodoo politics and voodoo accounting. Because ESE is you come to the House for supplementary expenditure already spent during the financial year, which goes beyond the estimates. But what we had done? We had, in fact, given him a *carte blanche à être dépensée*. So, the philosophy itself was not correct. What has the hon. Minister done? I am going to give an example. For the food security, we had Rs5 billion as the project value and the provision required that we voted was Rs1 billion. So, we have already voted Rs1 billion and nothing was spent.

He used this stratagem to increase his budget deficit to be able to have another figure today. So, we had voted Rs1 billion last year for food security, which was virtual spending and which was not spent. Now, this year, again, he is asking for Rs1 billion for food security. And what is he going to do with the Rs1 billion for food security? I am going to read it to you later because he is taking Rs740 m. from the food security to put it in the Additional Stimulus Package. But,

what is this? I want an explanation to this. We have Rs1 billion as ESE; we vote; it's virtual spending, it's not spent. Now, this year, we have another billion for food security and, out of that Rs1 billion, he uses Rs740 m. for the Stimulus Package. I am going to come to this, because I have it in the paragraph. It is the same for the MID Fund. Again, we said that we had already voted Rs1 billion for the MID Fund. What does he do? We had Rs250 m. for the solar heaters and then we had some money for the bulbs. Now, what is he doing? First, he says that the MASMED Fund was R1 billion; then, second, he says that he is adding Rs2 billion and, third, he says that SIC is adding Rs500 m. So, we have Rs3.5 billion. I read page 10, paragraph 55, where he continues to say –

“In addition to these Rs3.5 billion, we will also draw Rs740 m. from the Social Housing Fund, Rs600 m. from the Human Resources, Knowledge and Arts Development Fund, (...) Rs350 m. from the Food Security Fund, Rs175 m. from the MID Fund.”

So, what is he doing, in fact? He will have to explain to the House how he came with an ESE of Rs1 billion and then said that this money has not been spent, when it was virtually spent for accounting. And, now, he says he is drawing from the same Fund to finance the Additional Stimulus Package. I want the Vice-Prime Minister to explain to us how this is done.

I will also come to the language. I said that we had the impression that we have a Minister of Finance running out of his team after three/four years. The first Budget Speech had cohesive golden thread; it laid down the fundamentals of the new economic model. We did not agree with it, but still it had structure; it had a vision and it had a sense of purpose. We did not agree with all that, but the speech was coherent, academic, as our Vice-Prime Minister likes it to be. But this Budget Speech, Mr Deputy Speaker, Sir, is simply a list of things to be done; it does not have any structure. And when he tries to convince us, he fails miserably, Mr Deputy Speaker, Sir. Let me go to paragraph 25 for this! Look what he says -

“The ASP has been getting traction. So far, it has saved jobs in eight ways:

First, directly it has saved 2,700 jobs.

Second, indirectly it has saved some 3,000 jobs through the multiplier effect.” It is good for him to explain what has happened.

"Third, hundreds of companies that are not benefitting from any kind of support from Government have nonetheless responded to our call for greater social obligation. They have refrained from laying off jobs".

Then, he says –

"Fourth, the Empowerment Programme has done its share by placing many workers in jobs.

Fifth, there have been jobs saved through public infrastructure projects.

Sixth, hundreds of people have been kept in employment due to the private investments.

Seventh, our responses and policies have created confidence.

Eighth, our tax cuts have contributed to saving jobs."

He ends up in a beautiful paragraph 26 -

“All these add up to protecting the income, the standard of living, the quality of life and indeed the livelihood of tens of thousands of men”.

So, Mr Deputy Speaker, Sir, we start with 2,700 direct jobs to come to tens of thousands of multiplier effects. This is stretching the same argument, in Bretton Woods’s language and we know who has done it.

Mr Deputy Speaker, Sir, let me come to the proposal I wanted to make. We have always said that, for the first time in history, we have got direct budgetary support from the European Union, which were grants injected in the economy. We have never had this before. You had it for budgetary support and you have it for accompanying measures in the sugar sector. This is direct money. Last year, you got Rs1.4 billion. Usually, they are supposed to have Rs2 billion. If you take a budget of Rs60 billion and you are given Rs2 billion, it means you already have one thirtieth of your budget. So, if you declare a deficit, it means that your deficit should have been higher, because you have the Rs2 billion. Mr Deputy Speaker, Sir, we have not seen the budgetary support. The grant is injected in the revenue, and we don’t see how it is spent. But, I am going to take about Rs1 billion and distribute it. Mr Deputy Speaker, Sir, to pay the compensation from 5.1% to 7%, we need another half a billion rupees to pay 30,000 parents for SC/HSC, its Rs100 m. to pay 5.1% to 7% to old age pensioners, 120,000 of them.

What I wanted to say, Mr Deputy Speaker, Sir, is that with Rs1 billion you can give a decent salary compensation and increase the purchasing power of workers with Rs100 m.; you can give this breathing space to 30,000 parents whose children are sitting for SC and HSC with half a billion rupees. I said about the compensation and the SC and HSC examinations. As far as the pension for old age pensioners is concerned, it is about Rs2,400 and 2% of it is negligible. So, we could have given that to them. The NRPT, with all the hassle, brings only Rs70 m. What I am saying is that with just Rs1 billion, just thinking differently, you could have written another budget. With Rs1 billion, thinking differently, you could have satisfied the workers to some extent. You could have satisfied the parents to some extent, you could have satisfied the old age pensioners to some extent. What is Rs1 billion? And that Rs1 billion are coming from abroad as a grant. Well thought of! That is what I wanted to say about the budget, for it to be an eye-opener, for us to interpret figures better, for us to see that abroad we have three priorities, namely the economy, the infrastructure, the household, the people and not the economy and then infrastructure and then the people.

Mr Deputy Speaker, Sir, the Vice-Prime Minister has failed miserably because, in fact, it should not have been saving jobs, it should have been saving the economy, it should have been protecting the people. I mean, protecting all the people and not 7,000 households and preparing the recovery, that is, building the country. As I said, we need a High Powering Committee with a leadership and it is only the Prime Minister who can provide that leadership to be able to bring modern Mauritius. This is what I had to say, Mr Deputy Speaker, Sir. On this side of the House, we will continue to participate in the debates and my hon. colleague will sum up for us later.

Thank you, Mr Deputy Speaker, Sir.

(3.33 p.m.)

The Minister of Foreign Affairs, Regional Integration and International Trade (Dr. A. Boolell): Mr Deputy Speaker, Sir, let me, first of all, congratulate the Vice-Prime Minister, Minister of Finance & Economic Empowerment. I am not saying that congratulations are simply in order because he is a very good Minister of Finance. But it is a fact also, Mr Deputy Speaker, Sir, that the preparation of the Budget has received the undivided attention of the Prime Minister and it goes without saying that the Prime Minister is an excellent communicator. And if you communicate well, Mr Deputy Speaker, Sir, half of the battle is won.

Mr Deputy Speaker, Sir, let me highlight, right from the outset, that my intervention will be three pronged. One, I will deal with the hitches and glitches of the Opposition. Two, I will highlight some of the measures announced in the Budget in respect with the Ministry of Foreign Affairs, Regional Integration and International Trade. And, three, the state of play at the World Trade Organisation in respect of ongoing discussions with EU on the Interim Economic Partnership Agreement.

Mr Deputy Speaker, Sir, the Budget is being introduced to the House against a backdrop of global crisis which, of course, needs global solution and all of us can claim global ownership. I am sure you will realise that if there is a country which is cited as a showcase in respect of the Additional Stimulus Package it has introduced - call it a mini budget which was prior to the introduction of this new budget - it is, of course, the case of Mauritius. The Vice-Prime Minister and Minister of Finance will showcase Mauritius at an OECD Conference on measures taken by a small vulnerable country which has a high vulnerability index and which has no choice but to be outward looking since it does not have a vast internal market and the case of Mauritius will be highlighted at the OECD Conference. There are not many developing countries which have created the fiscal space, Mr Deputy Speaker, Sir, to appropriate Rs14.2 billion to implement measures which are highlighted in an Action Packed Measures.

Let me make it quite clear that these successes did not happen overnight and it is good to recall what we inherited from the previous Government. Certainly the macroeconomic situation was not sound. And I recall when we started discussions with the EU to ensure that we obtained disbursement of resources in respect of the restructuration and modernisation of the sugar industry, there were conditionalities imposed. But Government did not wait for the EU to impose those conditionalities before corrective measures were taken to redress an economic situation and had we

maintained such a course, Mr Deputy Speaker, Sir, there would have been descent into social chaos and this is a fact. We managed to turn things round because of our forcefulness on the international scene in respect of discussions with international or financial partners or partners with whom we deal bilaterally. There were two issues in respect of which we were constantly reminded that we have to introduce legislation, which the previous Government failed to do.

One, the introduction of a Bill to ensure fair trade and competition, the Competition Bill and two, Mr Deputy Speaker, Sir, the introduction of a transparent, effective and meaningful Procurement Legislation. I recall our EU Partners made it quite clear to us that these legislations were long overdue. We acted very promptly and prepared the legislation to ensure that we do give satisfaction first and foremost to consumers, because without fair trading, without competition it would be difficult to break cartel or monopolies.

When I hear our friend saying that there are countries which give cash vouchers to consumers to boost consumption is a matter that cannot be treated seriously. Mauritius, Mr Deputy Speaker, Sir, does not have a vast internal market. As I have stated, it has a very high vulnerable index. Let me take the case of UK, which has agreed to boost consumption apparently - according to our friend - by granting cash vouchers. But my friend should be made aware of what the Exchequer has stated, namely that he is bound to raise value added tax to make up for loss of revenue. Not only that, Mr Deputy Speaker, Sir, he'll probably have to broaden the tax base that is intended, Mr Deputy Speaker, Sir. Our friend was saying that consumption in Mauritius has gone down. There is no such thing. In fact, we have taken administrative measures and have impressed upon traders, and, of course, at times, we needed to convey the message loud and clear to them that they needed to ensure fair competition and that prices should come down. This is what our colleague, the Minister responsible for consumers, has done. And, in due time, Minister Sylvio Tang Wah Hing will come up with a citizens' or consumers' charter. Mr Deputy Speaker, Sir, it is the same sing-song, saying that we are giving unfair advantage to big spenders, capitalists or by whatever name you want to call them. Let me remind them that they have said over and over again that we need to raise corporate tax. In fact, as was stated by the Vice-Prime Minister and Minister of Finance, large companies were entitled to the 15% corporate tax. What we have done, we have levelled the playing field and ensured that the same treatment be given to small and medium-size entrepreneurs. And we know what the consequences of increasing corporate tax will be. I think, in an excellent interview given by the Vice-Prime Minister and Minister of Finance, he stated very clearly that the consequences can be far reaching, if anything foreign investors would

become elusive and, certainly, there would be no incentives to attract them. The fact remains, Mr Deputy Speaker, Sir, that we have to be true to ourselves; we cannot have one tongue when we are in the Opposition, however, vicious that tongue may be, and certainly be different when we are in Government. We cannot appear to be disruptive. In fact, we have an economic situation which has turned out to be a financial crisis and, now, an economic crisis, and we cannot be indifferent to the impact that this crisis is having upon developing countries.

But let me highlight the case of a rich country, Dubai, Mr Deputy Speaker, Sir, which is an oasis in the vast hinterland of the United Arab Emirates. Under the circumstances, right now, Mr Deputy Speaker, Sir, workers on site have been asked to drop everything, pack up, drive their second hand cars to the car park of the airport and make an exit. Forget about remittances, which they use to send to their poor families in the nook and corners of India or Africa. And what is true for construction workers is equally true for white-collar employees. These are the harsh realities. We should not be seen to live in a cuckoo's land or allow someone to fly over this cuckoo's nest, Mr Deputy Speaker, Sir.

When we talk of circumstances which are very difficult - I have mentioned Dubai - let me now take the case of a country, not far away from us, which exports 97% of its produce to EU. I have in mind Seychelles, which has two valuable exports. One, what we call white gold - tuna - and, of course, a country which has a strong services sector, relatively strong tourism. Today, Seychelles is in financial doldrums with the result that 17% of civil servants had to be laid off. Social costs cannot be met and I'll ask one simple question, Mr Deputy Speaker, Sir. Can we quantify social and human costs? Mr Deputy Speaker, Sir, like all our friends, we are in touch with our constituents. Except when I am travelling, my friends and I meet our constituents almost three times a week. And I know the sufferings and hardships that they are enduring. Many of them come to see us. They want to know whether the crisis - despite the fact that Mauritius is not in recession and I do not have to define recession - is going to be long and deep, whatever alphabet it will carry, Mr Deputy Speaker Sir, but we are talking of a tragedy that can unfold; people who cannot afford to pay their utility bills or people who are worried that their houses may be repossessed or what needs to be done to ensure that they can reschedule the loan, or whether they can find gainful employment in Government, parastatal, de-statised bodies, Mr Deputy Speaker, Sir. And I put the question: had we not had the fiscal space and were we not daring, bold, courageous, innovative, creative, do you know where we would have been today, Mr Deputy Speaker, Sir? We would have landed in a financial situation, with no return ticket. We are talking of social chaos and this is what our friends would have liked to happen. I am sorry

to say that; this is a fact, Mr Deputy Speaker, Sir. I know what their agenda is. But let me tell them that this is not the Government of 1970s. This is the new Labour Government, Mr Deputy Speaker, Sir, in alliance with our friends. We are determined and resolute to face adversity and to turn the table on those who think that they can take us to task or to ransom, Mr Deputy Speaker, Sir. We have travelled a long way to protect those who are weak, vulnerable. We want to create the conducive environment to enable people to take the social rung of the ladder. And who knows better than the Vice-Prime Minister and Minister of Finance? There were times when the economy was brought to the brink of disaster. There were times when students attending classes or sitting for examinations were denied their basic rights, Mr Deputy Speaker, Sir, because of wildcat strikes.

Do not forget that we nearly lost our quota of sugar to EU because of strikes or what we call causes which are not *force majeure*, Mr Deputy Speaker, Sir. Those were the days! When questions were put, we know what happened to the GWF. It was set ablaze. Let me remind the House that we are not going to give in to those who suffer from the Sheik Hossen syndrome, Mr Deputy Speaker, Sir. Those days are over and we stand on our ground firm, Mr Deputy Speaker, Sir, because, under no circumstances, will we allow people to make our lives difficult when we are the champions of a just cause, that is fighting or waging war to alleviate poverty to enable people to take the social rung, preparing for recovery when it comes and recovery will come.

Let me refer to what Soros has stated and there is no better visionary or prophet of doom or gloom, but this time he is making a prophecy that the recession will come to an end. We know what he prophesied in respect of the Asian financial crisis and he got it right. He is saying that the recession is coming to an end. The early shoots are there and I do not have to highlight what was stated by the Governor of the European Central Bank or the Chairman of the Federal Bank.

Let me refer to an article, Mr Deputy Speaker, Sir, which appeared in “*Jeune Afrique*” magazine. This is what le Président du Brésil, Lulla Da Silva, *un des plus grands hommes d’États actuellement au pouvoir qui ressent la crise comme du vent* had to say –

“Cette crise nous réveille, c’est une stimulation, elle me fait vibrer, m’excite, me donne envie de me battre. Plus elle est grave, mieux il nous faut investir pour en sortir. Au Brésil, nous nous sommes mis à investir plus que nous ne l’avions jamais fait dans la construction des voies ferrées, de routes,

barrages, ponts, habitations et hôpitaux. Nous devons en faire plus que les pays les plus avancés où ces infrastructures sont déjà réalisées. »

This is the awakening call and we have to instil the spirit and sense of patriotism in our people. These are the values that have to be inculcated. Let me tell you that you cannot take people for a ride because they have access to multimedia. Access to information is a right today and not the privilege of a selected few and this is what democratisation is all about, Mr Deputy Speaker, Sir. Today, people can argue very forcefully, can exchange information and are properly briefed.

Let me say loud and clear that our objective is to call their bluff. There are many bluff masters, Mr Deputy Speaker, Sir, but our objective is to call their bluff. Let me take one scenario - the issue of sustainable development. Overnight, the Leader of the Opposition has become a strong proponent of sustainable development. I ask him to turn his back and look south, in the direction of Saint Aubin, where third-hand equipments were purchased to set up a coal powered plant. Ask yourself, Mr Deputy Speaker, Sir, whether there was transparency? There was a mockery exercise conducted in respect of request for proposal and we know what was the role played by Dona Leclair and the then adviser, Mr Desvaux. The perception of the Opposition and their mirror image is one and the same – distorting facts, Mr Deputy Speaker, Sir, hiding the truth! But they will be revealed because, as I have said, action speaks louder than words and in this case, it is an Opposition which is a comedy deeply rooted in the tragic realities of their fall and decline. This is why today they are on the verge of implosion. Let me make it quite clear to you! What was not said when the Additional Stimulus Package was introduced? That they were going to come with policy papers on energy and on food security. They had a dream team. I am not going to highlight what type of dream finally took place, Mr Deputy Speaker, Sir.

Mr Deputy Speaker, Sir, then the issue of ethanol was raised. You know, as well as I do, that the enthusiasm generated to invest in ethanol project was largely due to the high price of petroleum product. That was the basic reason. Now that the enthusiasm - I am not saying that it is dying down - is on the wane, Mr Deputy Speaker, Sir, because at the end of the day a project has to be feasible and it has to be cost-effective. This is where I hold the MSPA to task because they should have taken St. Aubin to task when they agreed to implement a coal powered project, when it had the spare capacity to optimise production of energy from bagasse. This is why I was a strong proponent of sub-clustering of the sugar industry and, today, with the downstream projects which are going to add value to the sector,

sugar is going to become king again. Sugar cane is going to become king, Mr Deputy Speaker, Sir. This is a fact with refinery, with the production of ethanol, with the sector turning into a services sector. I am glad to read in the Budget measures being taken by Government to widen the share ownership of planters and workers. This was a pledge we made to the planters and workers of the sugar industry. Today, we are moving that share ownership from 20% to 35% and it has been inscribed in gold letters in the Budget Speech that they are going to own 35% in all the downstream projects of the sugar cane industry.

Of course, the Leader of the Opposition was asking to the architect of the SIT what vehicle would be introduced, Mr Deputy Speaker, Sir, as if somebody is trying to sell coal to Newcastle. This is a fact, Mr Deputy Speaker, Sir.

Mr Deputy Speaker, let us look at the harsh reality and make appeal to the Opposition! They have a golden opportunity to put up a common front with Government on an issue which is not our doing. The social fabric of this country Mr Deputy Speaker, Sir, which we are constantly strengthening and which they are trying to undermine is an opportunity given to them and I would expect them to react promptly. We ask them to come with concrete proposals. Up to now, they want to be generous with taxpayers' money, money which is not theirs. They want to go on spending spree *après moi le déluge*, Mr Deputy Speaker, Sir. This is not on, this is the real politics they have been practising and they inherited what they deserve, Mr Deputy Speaker, Sir. We have a Government which is consistent, which has clarity, which has certainty, which has predictability and is reliable. Reliable, Mr Deputy Speaker, Sir, is like answering the call of the Ganges responding to the needs of the people, being sensitive to the cause of the weak and the vulnerable. I don't have to highlight the measures enumerated in the Budget to protect the weak and the vulnerable, Mr Deputy Speaker, Sir, and that in circumstances which are very, very difficult.

When the economy was robust, they claimed to be champions of the downtrodden. When the economy was robust what did they do? They raised VAT for two successive years by more than 50%. More than 50%, Mr Deputy Speaker, Sir! This is a fact! Ask yourself whether they introduced any Bill to break cartelisation, but if anything, they encourage monopolies in this country, Mr Deputy Speaker, Sir. I, of course, don't have to remind the House of the Illovo deal which was struck on the stroke of midnight. And I know that a lot of works have been done in respect of that deal, Mr Deputy Speaker, Sir. We certainly have disseminated the relevant information to the parties concerned. It was an act of fraudulence, denied the people the rights, Mr Deputy Speaker, Sir, to have what is

due to them. So, we have no lessons to learn from them. But my concern, Mr Deputy Speaker, Sir, is implementation and we are sending loud message, strong signals to all civil servants, to non State actors, to the Opposition that everybody should be on board and implementation should become the leitmotiv. It is an obligation that we all have to fulfil because we have to honour our rights vis-à-vis the nation.

This Budget provides for nation building and this is why I said everybody has to be on board, Mr Deputy Speaker, Sir. I sincerely hope that the message conveyed has been heard loud and clear. We want flexibility without any compromise on checks and balances and that guarantee is being given by Government. We will see to it also that matters are expedited, that projects are implemented and when my colleague, the Minister of Public Infrastructure will intervene, he will highlight to you the measures taken by his Ministry, by him personally to fast track projects, Mr Deputy Speaker, Sir, the Tianli or the construction of eco-friendly airport which is going to be implemented.

This country is going through a process never seen, never heard before. We are turning this country into a vast *chantier de construction*, Mr Deputy Speaker, Sir. We are creating jobs for those who hardly had any hope of getting a job and we have deliberately made labour laws flexible to encourage mobility of people to move from one sector to the other, but, at the same time, there are provisions in the legislation to protect workers during the time that they are not working. But they chickened out on threshold of general election when it came to introducing new labour laws, Mr Deputy Speaker, Sir. If people who were in Government were scared to take measures which, in the short-term, medium-term and long-term were advantageous to the cause of workers, how can they earn the respect of the people? How can they earn the respect of the nation as these modern legislations are part and parcel of comprehensive legislations which have been introduced by this Government to ensure that there is an ease of doing business in Mauritius? If, today, Mauritius is cited as one of the countries where it is conducive to do business, it is precisely because of the institutional and legislative framework we have introduced. When I talk of legislative framework, this brings me to another sector, Mr Deputy Speaker, Sir. The financial services sector where there is a growth of more than 10% and I have to resolutely salute the campaign waged by the Vice-Prime Minister and Minister of Finance to convey loud and clear and make it quite clear to partners with whom we've had Double Taxation Treaty Agreement - that we agreed to have compliant jurisdiction and the lobbying has paid dividends and this has given security to those operating in the sector notwithstanding the total number of measures which are going to be introduced in

the Finance Bill to consolidate that sector. We are talking of brain power and this is a sector where there is democratisation process for young, intelligent and brilliant people irrespective of colour, sex and creed. *Il n'y a pas de rentier dans ce secteur, M. le président.* This is what democratisation is all about, Mr Deputy Speaker, Sir, and it is a fact. Today, with the new Indian Government which has just been sworn in, we hope that we will address this issue and we will be able to move the process of the comprehensive Economic Partnership Agreement. India remains a special friend and we need to consolidate this relation, Mr Deputy Speaker, Sir.

Since we are talking of democratisation, opportunities are being created for those who have the financial resources upfront to disburse that money, to purchase rooms in hotels and then hand them over to the management to run the hotel, Mr Deputy Speaker, Sir. These are opportunities that people have to grasp which are part and parcel of a comprehensive package of democratisation. We started by widening the circle of opportunities for fishermen, for pig breeders and we are moving people from subsistence to semi professionals.

This is the very essence of democratisation, of what we call the broad based economic empowerment; learn to take the social rung of the ladder. This is the Government which has done it. This is what we call upliftment. This is waging war on poverty. We do not believe in having pity, Mr Deputy Speaker, Sir, but we believe in creating the conducive environment. I recall when the issue of pig breeders was raised in this very House, there were PNQs put to me and, we, as a Government, acted responsibly. We said 'no' to compensation, but 'yes' to empowerment. And, today, pig breeders, Mr Deputy Speaker, Sir, are moving from subsistence to semi-professionals and what is true for pig breeders is equally true for fishermen.

They need training and know-how. We have to ensure that we invest in training. When you are trained, when you are skilled, it is a passport for life that opens new vistas, new avenues. This is what training is all about.

One of the measures taken by Government is the extension or expansion of a new campus. It rests on three pillars: expansion, excellence, inclusion, employability and employment. These are the pillars of investing in a long life, what I would call learning bond, Mr Deputy Speaker, Sir. There is no trade off on this. So, the opportunity is being created. Let me tell you that in the ICT sector our friends will have an intensive course for 40 days. Government is disbursing Rs21 m. and we are creating opportunities for 2,000 young students. What has the ICT

sector done? It has created opportunities, especially for our friends living in *résidence ouvrière* because, Mr Deputy Speaker, Sir, our friends living in *résidence ouvrière* are not scared to work 24 hours a day, 7 days a week on shift and during daytime. They use the resources to attend tertiary institutions, either through long distance or they attend part-time courses at tertiary institutions. This is what empowerment is all about. This is why, today, irrespective of sex, gender, community or allegiance to form political parties, the calls of the Ganges are being answered, and they are all rallying to the call of the Labour Alliance Party, Mr Speaker, Sir. This is a fact because we have a leader who is determined, who is keen to instil values of solidarity and national spirit. You see them here and there and elsewhere. You tell me whether, on that bench, there is anybody who can match the Prime Minister, Mr Deputy Speaker, Sir. Forlorn, Mr Deputy Speaker, Sir! Even if you look for them with a torch, you will end up endlessly looking for them.

Mr Deputy Speaker, Sir, we have travelled a long way. Next Budget is the last Budget and I am confident that we will weather the storm. And during this period, of what we would call lull, it is the time for our people to be trained. This is why we have to grasp the opportunity, and it is an opportunity knock, like President Lulla stated –

“The crisis gyrates us, pulsates us, makes us become more innovative and creative, forces us to react in a positive manner.”

Mr Deputy Speaker, Sir, let me now come to issues which are relevant to my Ministry, measures which are spelt out in the Budget. Mr Deputy Speaker, Sir, some of the recent budgetary measures...

The Deputy Speaker: Hon. Dr. Boolell, could you tell me how long you are likely to be?

Dr. Boolell: Half an hour.

The Deputy Speaker: You may continue then.

Dr. Boolell: Mr Deputy Speaker, Sir, some of the recent budgetary measures announced are paving the way forward to eliminate non-priority and inefficient public expenditures. Renewed emphasis on output and outcome budgeting depicts Government's determination to curtail and eradicate public sector inefficiencies and mismanagement. We are called upon to assume our responsibility, we know that times are difficult, and we are impressing upon everybody to comply with the

best performance management system. The Ministry will be faced with various challenges in the weeks and months to come. As the House is aware, my Ministry, in view of its portfolio, is called upon to participate in various meetings/conferences/negotiating fora at regular and recurrent intervals.

Though we do not propose to jeopardise the interests of Mauritius by non-participation at the high level meetings, we shall nevertheless endeavour to work on a *modus operandi*, whereby the officials of the nearest Embassy to the venue of the meeting will be called upon to represent my Ministry and Government, wherever possible. In fact, right from the outset, when those responsibilities were conferred upon me by the Prime Minister, I made it quite clear to the officers that they will be given additional responsibilities to attend conferences. And we had established a calendar in respect of Missions to attend. I am not here to make comparisons, Mr Deputy Speaker, Sir, but I have stated very clearly that we will attend Missions which are relevant and where Ministers are needed. This will no doubt lead to a better synergy between my Ministry and our overseas Missions and other relevant stakeholders. Economic diplomacy will, undoubtedly, be at the forefront of all initiatives taken by Government to safeguard the interests of Mauritius.

Our overseas Missions have, in the past, often been criticised in the Report of the Director of Audit on excessive expenditure incurred in respect of payment of overtime and utilities, especially in relation to telephone bills.

In this respect, my Ministry is coming forward with strict instructions to curtail expenditure. Ceilings will be set whenever necessary and staff of overseas Missions and my Ministry will be encouraged to avail themselves of the application of software packages, such as Skype or Windows Live Messenger in order to curtail communication costs. I know you are an expert at it; you were the first to introduce this when you were Minister but, though belatedly, I think it is a must and it is bound to bring down costs, because there is hardly any cost. The setting up of an intranet between the staff of my Ministry and all the overseas Missions is being envisaged.

As regards curtailment of overtime costs, Missions as well as my Ministry will look into the advisability of employing staff on a roster basis or at staggered hours in view of the fact that in foreign affairs environment, we are called upon to work round the clock.

We have presently, Mr Deputy Speaker, Sir, 21 overseas Missions, including two Consulates. The operation costs of same, on a yearly basis, amount to roughly Rs340 m., that is, approximately 62% of the total budget of my Ministry.

Operation costs entail, *inter alia*, salary and allowances of home-based staff, utilities, rental of Chanceries and Residences, wherever applicable, medical and educational expenses for home-based staff and their dependents, maintenance of plant and equipment, travel and transportation costs of personal effects, and also wages for locally recruited staff.

Against the backdrop of global economic turmoil and rapid development in ICT, the closing down of Embassies, which are not contributing significantly to the socio-economic development of the country, would need to be examined, taking into consideration the cost benefits as well as the opportunity cost. Of course, the Leader of the Opposition tried to taunt us by saying which Embassy will probably be the first to close down. We are looking into this issue. I am not saying that *l'habit ne fait pas le moine*, but we have to make sure that we look at all the merits and demerits, taking on board the social aid, the cost benefits as well as the opportunity cost.

In this vein, the multiple accreditation policy will surely be implemented to ensure that the interests of Mauritius are safeguarded, though it may no longer be physically located in a specific capital.

The Deputy Speaker: Hon. Dr. Boolell, I will be suspending for tea either now or at half past four. What would you prefer?

Dr. Boolell: It is up to you, Mr Deputy Speaker, Sir.

The Deputy Speaker: You are the one having the floor now.

Dr. Boolell: We break for tea then, Mr Deputy Speaker, Sir.

The Deputy Speaker: So, we suspend the session for half an hour.

At 4.22 p.m. the sitting was suspended.

On resuming at 5.00 p.m. with Mr Speaker in the Chair.

Dr. Boolell: Mr Speaker, Sir, I was highlighting measures being taken by the Ministry in respect of cutting costs and, as at date, the Ministry contributes an

amount of Rs108 m. approximately as membership fees to 16 regional and international organisations. And these need to be reassessed, especially if they are not mandatory and little benefit is derived from them.

Over the past seven years, Mr Speaker, Sir, the Government has acquired properties in overseas capitals. Currently, we have seven Government-owned Chanceries, three official residences for Ambassadors and six residences for home-based staff.

These acquisitions have enabled Government to save on rental. Needless to say that the acquisition of property is seen as sound investment in the long run, the more so, when the buildings are properly maintained. I will ascertain that the Ministry establishes a work plan in respect of the upkeep and maintenance of properties abroad as they are showcases of Mauritius overseas. In the same breath, I can only welcome the concept of the Mauritius House whereby Embassies and Mauritian representations in other organisations located in the same city could be consolidated into a Mauritius House to save on administrative cost.

Mr Speaker, Sir, we will give full collaboration to the special unit which is going to be set up under the aegis of the Prime Minister's Office for the implementation of measures proposed as they all fall within the framework of cutting cost and expenditure commitment.

Mr Speaker, Sir, we had complaints from local manufacturers because of dumping practices and subsidies in respect of imports and this matter is being addressed. There was a meeting which was co-chaired by the Minister of Industry and myself. We took cognizance of a report submitted by the Industrial Development Taskforce and the measures can be addressed administratively, and the committee will do the needful.

Some amendments have to be brought in respect of legislation, but in the long run, we need to look at anti-dumping legislation. It is quite complex when it comes to trade remedies, but a draft legislation has already been prepared. One of the issues that deserves to be addressed is the light structure that has to be set up and which will address complaints. It will be in the form of a separate unit at the International Trade Division and it will comprise technical officials of the ITD as well as officials co-opted from the Management Audit Bureau and Customs Department as and when required. We hope to introduce in Parliament, by December, the anti-dumping legislation and other legislations in respect of safeguard measures and countervailing measures will come at a later stage. We do

agree that it is quite complex. In fact, that legislation was first mentioned to be introduced in the House 17 years ago. Hon. Members can understand how complex it is.

Mr Speaker, Sir, on the issue of World Trade Organisation, we have to make sure that we address our specific interests and concerns, as export-oriented, small, vulnerable, net food importing country, and, secondly, any additional obligations we have to take are proportionate to our development level. This is a cornerstone of our diplomacy and is duly reflected in our daily engagement with the multilateral trading system. Therefore, our main strategic objective with respect to the ongoing World Trade Organisation Doha Round of Negotiations has been and continues to be to ensure that the final package of the Round, particularly in agriculture, Non-Agricultural Market Access, services and rules, including fisheries subsidies, satisfactorily addresses both our defensive and offensive interests as part of the development account of the Round on which we have been insisting forcefully.

Our approach in the World Trade Organisation has, therefore, been securing necessary policy space to implement our economic strategies within a fair and well-balanced rule based multilateral trading system, while maintaining and expanding our market access opportunities through appropriate flexibilities to retain our preferential access for a reasonable transition period.

In agriculture, we have been striving to obtain a moderate level of the tariff reduction from preference-granting countries, mainly EU and US on products of export interest to Mauritius and exclusion of preference-receiving products, that is, sugar, from the list of tropical products on which there is a World Trade Organisation mandate for fullest liberalisation.

Similarly, on manufactured products, we are calling for a carve out on preferences within the formula to be adopted for tariff reduction, providing for both trade-based and non trade-based solutions for addressing the issue of longstanding preferences. At the same time, we insist that sectoral negotiations which call for fast tracking tariff liberalisation in selected areas should remain on a non-mandatory basis. This would prevent any adverse impact on sectors which are of high export interest to Mauritius, including fish, fish products, textiles, clothing and footwear.

In the area of services, we want an outcome which will commit developed countries to open up in sectors of particular interest to developing countries such as

provided for in the Hong Kong Ministerial Declaration, particularly in the temporary movement of natural persons and services provided between those countries.

With respect to fisheries subsidies negotiations, Mauritius is calling for a special carve out which will allow Mauritius to be exempted from any discipline such as those on access fees and that appropriate policy space is provided in terms of effective special and differential treatment that would help to further develop our fishing and seafood sectors.

Longer time frame of 10 years for tariff reduction on sugar will enable us to complete the restructuring process we are currently embarking upon so that we are able to be more competitive and compete with suppliers not only from beyond our shores but close to us, countries which can really be competitive like Zimbabwe. We are positioning ourselves in the negotiations to ensure that any tariff cut for sugar on the EU market does not translate into a price cut of over 36% which the EU has been undertaking on a phased basis over the last four years.

Mr Speaker, Sir, however, as we struggle to provide our operators with a more level playing field and try to secure longer transition period in the negotiations at the World Trade Organisation, it is crucial that our industry use this period to adequately prepare itself to evolve in a more competitive environment. Building the requisite supply capacity and stepping up the level of competitiveness should remain the key objective to be achieved during the transition period. If we maintain *status quo* and to believe that our export markets will remain protected forever, we risk a very difficult situation in future.

Mr Speaker, Sir, Mauritius strongly believes in trade as an engine of growth. We are, therefore, mindful of the fact that according to World Trade Organisation, world trade will contract by 9% this year and commodity prices have already dropped. Foreign Direct Investment, revenues from tourism and remittances will also drop. All these will affect Mauritius and point to the fact that the current crisis will have a disproportionate impact on the most vulnerable countries.

In such a context, we need to ensure that Aid for Trade promises are kept, despite, or rather precisely, because of the crisis to support our economic reforms, strengthen our productive capacity and to unlock our growth potential.

We are strongly advocating in international fora, the urgent operationalisation of Aid for Trade pledges made by developed countries. We will

continue to press on our development partners to fulfil their commitments in that regard.

We will also be urging our developed country partners to resist protectionist measures. Already, the World Bank has cautioned against the rise of protectionist policies during the global financial crisis.

According to the World Bank report, 17 members of the group of 20 leading financial powers have taken steps to restrict trade since 2008, when the group has agreed to resist such policies. Additionally, according to the FAO, nearly 67 countries, including the EU, implemented measures by the end of 2008 to restrict trade in agriculture as to limit the impact of high food prices.

For Mauritius, it is essential to ensure that markets remain open and measures are taken to increase trade flows. In this regard, completing the Doha Round of negotiations remains a key objective.

Mr Speaker, Sir, since assuming office, Government has initiated concrete actions to transform Mauritius into a service-based economy. Today, trade-in services accounts for more than 60% share of our GDP. We have developed so far a thriving services sector in emerging areas such as health, education and creating alongside new forms of employment. Mr Speaker, Sir, on the issue of circular migration, with a view to facilitating the movement of workers to secure jobs on a time frame basis in foreign countries, we have developed a programme of circular migration. We believe that this will increase employment opportunities, prevent brain drain and assist professionals to acquire knowledge, experience and international exposure. The Government of Canada and Mauritius currently implementing the Maple Leaf, Lucy Porc, Olymel and Lakeside Packers project with the assistance of the International organisation for migration. Under these programmes, some 350 people will be travelling to Canada for work purposes. More recruitments are expected. Mauritius and France which remain a privileged and valued development partner signed a bilateral agreement “*relatif au séjour et à la migration circulaire*” on 23 September, 2008, whilst awaiting the ratification of this agreement by the French Parliament, we are now working jointly to try and define the modalities for implementation. Let me recall that this agreement makes provision for a high number of Mauritian nationals to take up employment in France. The circular migration programme does not only provide an opportunity for Mauritians to work abroad, but it also enables them to acquire experience and enough financial resources to start business on their own upon their return to Mauritius. It is also our intention to pursue negotiations with several other

countries on mutual recognition agreements so as to enable our professionals to work in foreign countries as per their qualifications. Mr Speaker, Sir, my Ministry is actively working to create overtures for our people and for our country overseas. The Circular Migration project is one such example. We are also facilitating a partnership for joint food security project in the region. A case in point in the proposed Mauritius-Singapore project for rice cultivation in Mozambique.

Mr Speaker, Sir, on the issue of EPA, we have made much progress. The contentious issues are being addressed; we have put them in different baskets and we agreed that irrespective of some contentious issues, we will sign the interim Economic Partnership Agreement and every indication points to the fact that the ceremony will take place in August, in Mauritius.

Mr Speaker, Sir, I think we have travelled a long way and Government has been bold and resolute to take courageous measures, to turn the economy round and to put it on the safe track. This is all due to the leadership and skills of the Prime Minister. He has been forceful to take the bull by the horn and to convey to the nation a crystal clear message that we need to wage war against poverty, prepare for recovery and protect those who are vulnerable. But to create a fiscal space, Mr Speaker, Sir, we had to be resolute and we had to act urgently, and addressed issues which are relevant to our economy in a very forceful manner. We have a last budget which is going to be introduced, but, nevertheless, we have to make sure that there is resilience. We have to convey to the people that discipline should be the order of the day and that no one owes us a living. On this note, Mr Speaker, Sir, let us wish our country well and let us be united and put up a common front to ward off all the threats and daunting challenges.

Thank you very much, Mr Speaker, Sir.

(5.14 p.m.)

Mrs A. Navarre-Marie (First Member for GRNW & Port Louis West):

M. le président, ainsi sommes-nous en train d'intervenir sur le dernier budget de cette présente législature? J'ai écouté attentivement l'honorable membre qui m'a précédé. Il a, au dernier moment, essayé de rectifier mais c'était trop tard. La balle était déjà partie. La vérité dit-on sort de la bouche des enfants et le ministre Boolell est un grand enfant "*and he is an honourable man*". Deuxièmement, M. le président, je dois dire que j'ai été déçue par ses insinuations à l'effet que l'opposition serait antipatriotique, alors qu'il sait bien que tel n'est pas le cas, surtout en ce qui concerne le MMM, M. le président. Ce sont tout simplement des allégations gratuites venant de personnes à court d'argument.

M. le président, le budget d'un pays n'est pas uniquement un exercice comptable. Le budget reflète la vision d'un gouvernement. Le budget essaye de traduire dans la réalité, les propositions, les promesses qui ont été faites dans le manifeste électoral d'un parti politique lors d'une campagne électorale. Or, ce budget ne traduit pas ces promesses malgré le fait qu'on parle de "*Putting People First*", et le budget ne répond pas aux attentes de la population dans ces moments difficiles. S'il est vrai qu'au plan économique, les menaces se précisent et que nous sommes loin d'être immunisés contre la contagion internationale, il importe de bien prendre la mesure de ce qui se passe sur le plan social, n'en déplaise à l'honorable orateur qui m'a précédé. Qu'en est-il exactement, M. le président? Alors que d'un côté on parle de *Additional Stimulus Package*, on parle de milliards donnés au grand capital, la population, les petites gens, les petits travailleurs, les veuves, les orphelins, les handicapés, ceux qui touchent de petites pensions ne récoltent que des miettes en dessous de la table, 5% comme compensation salariale alors que le taux d'inflation est de l'ordre de 7%. M. le président, toute la population a été témoin d'une déclaration faite par le Premier ministre récemment, lors d'une fonction dans sa circonscription à l'effet que "*Parti Travailleiste ine donne pension, Parti Travailleiste pou monte pension vieillesse*", et tout cela sur le fond de "*tappe l'estomac*". *Stimulus Package* d'un côté, *Stimulus Package* pour le grand capital et 5% seulement pour les petites gens et encore on sait que, déjà, on est en train de soustraire 1% des salaires des petits salariés. C'est Robin de Bois mais à l'envers, on prend aux petites gens et on donne au grand capital. C'est vrai que la crise a bon dos mais, comme l'a fait ressortir le *Leader* de l'Opposition, qu'est-ce que 2% représente pour le gouvernement, M. le président?

M. le président, malheureusement, c'est ce genre de situation, ce genre d'attitude qui déclenche des problèmes d'ordre social. Je ne suis pas en train de jouer au prophète de malheur, mais évitons que le pire nous affecte sur ce plan-là. Nous sommes témoins tous les jours de ce qui se passe actuellement à Maurice : des viols d'enfants, des viols sur des personnes âgées, des cas d'incestes, des parricides, des fraticides, des infanticides. Pas plus tard que ce matin, on a entendu le cas d'un papa qui a tué son enfant. Comment se fait-il qu'un papa puisse tuer un enfant, M. le président ? Comment ? Je ne suis pas en train de trouver des excuses et ce n'est pas une excuse. Mais peut-être que le papa vient de perdre un emploi, il est anxieux; peut-être qu'il a été licencié. On ne sait pas. Il faut peut-être aller à la source des problèmes. Tout cela traduit un certain mal-être, malaise de notre société. Des délits commis par non des moindres, des personnes qui sont supposées être des modèles, des personnes qui sont supposées représenter nos institutions, nos valeurs. Il y a aussi le cas de cette enseignante qui a été prise en flagrant délit de tricherie lors d'un examen. Ce policier sur lequel pèse une allégation ou des allégations d'attentat à la pudeur, ce médecin qui dit-on n'a pas de qualifications requises et qui est en train d'exercer, et j'en passe, M. le président. La population est en train de perdre ses repères, on ne comprend plus rien. Les doubles langages du gouvernement sur certains sujets importants ne sont pas pour arranger les choses car un jour ils disent ceci et un autre jour ils disent le contraire, dépendant du forum où on est. Le Premier ministre avait dit dans un forum qu'il était d'accord pour la non inclusion de son appartenance ethnique dans le recensement. Quelques jours après, il dit le contraire dans un autre forum. Un autre jour, il dit qu'il est en faveur et qu'il va aller vite avec la réforme électorale, mais un autre jour il dit le contraire. C'est à ne plus rien comprendre, M. le président ! Il y a une telle inconstance dans les déclarations du gouvernement et des actions. *Statements and actions do not tally* et les gens sont en train de perdre leurs repères. A chaque déclaration, c'est la confusion ! M. le président, il y a aussi le fait que des organismes parapublics, tombant sous la tutelle du ministre, sont gérés par des petits copains. C'est d'une opacité incroyable ! On refuse de répondre aux questions des parlementaires et on trouve toutes sortes de subterfuges pour ne pas donner les informations nécessaires et on vient de passer *le Equal Opportunities Act* et on ne sait toujours pas sur quel critère les *Health Care Assistants* ont été recrutés récemment. On a posé des questions mais on n'a toujours pas les réponses. La déclaration de l'honorable Mardemootoo - qui n'est pas là malheureusement - n'est pas pour arranger les choses.

Il serait temps, M. le président, que le gouvernement se débarrasse de ce fameux *Secrets Act*, et vienne de l'avant avec ce projet de loi sur le *Freedom of Information*, et on en a parlé à plusieurs reprises. Il faut venir de l'avant avec ce

projet de loi, pas un *Information Bill* pour museler la presse, mais un vrai *Freedom of Information Bill* digne de ce nom, calqué sur le modèle Britannique mais en retirant bien sur les faiblesses et les lacunes. Il y a également les largesses du gouvernement vis-à-vis des copains, la location à bail de terrain à Ebène, par exemple, R 100 par an par arpent ; des petites portions ici est là, un terrain par-ci, une île par-là et tout cela sur fond de gaspillage, de fonds publics dans des corps paraétatiques dirigés et gérés par les copains. La liste de ces organisations a été faite hier par le *Leader* de l'opposition, et la population observe tout cela, Air Mauritius, *AMB*, *STC* et le comble c'est que le ministre Gowressoo vient dire à la presse qu'il était normal de faire passer les augmentations sur les consommateurs, les éternels tondu.

La *State Trading Corporation* vient, semble-t-il, d'importer une nouvelle cargaison de riz à prix réduit, mais la baisse des prix n'a pas été passée sur les consommateurs pour combler le déficit de la *State Trading Corporation*. Quand les gens sont conscients de cela, comment voulez-vous qu'ils réagissent ? Comment voulez-vous qu'on explique ces cas de viol comme je l'ai expliqué plus tôt ? Nous avons eu récemment, pour ajouter à cela, le cas de ce jeune étudiant mort en sautant de l'autobus parce qu'il avait pris de l'alcool. J'ai écouté la radio pendant le week-end et j'ai entendu un auditeur qui disait que des étudiantes dans un collège prestigieux dans le nord se sont retrouvées ivres. On a dû faire appel aux parents pour venir les récupérer, M. le président. En entendant tout cela, comment pensez-vous que les gens vont réagir ? Avec ce gouvernement, ils ont peur de l'avenir et de voir l'avenir de leurs enfants se dérober sous leurs pieds. Vivement une salubrité politique !

Dans son discours, le ministre parle de *Eradicating Absolute Poverty*. Plan d'action No. 14, à la page 32, il dit ceci –

“Last year, we set up the Eradication of Absolute Programme focussed on 229 pockets of poverty comprising 7,157 families. We are seeing the fruits of this policy. 415 children between three and five years of age children who were not attending schools have now been given access to pre-primary schools where they rightfully belong. And some 100 households are benefiting from the integrated projects under the EAP.”

M. le président, sous l'ancien gouvernement, tous les enfants des écoles ZEP ou autres enfants défavorisés identifiés par les *social facilitators* bénéficiaient de manuels scolaires, d'uniformes, de chaussures, de *tiffin*, de transport qui leur permettaient d'être scolarisés. Et hier, à une interpellation du député, madame Hanoomanjee, à l'effet que certains élèves de sa circonscription n'avaient pas encore obtenu de manuels scolaires, le ministre répond et lui dit de lui faire parvenir la liste de ces enfants. Ce n'est pas normal, M. le président! Ce n'est pas normal qu'au deuxième trimestre, nos enfants n'aient pas encore obtenu leurs manuels scolaires. Ce n'est pas normal non plus qu'un ministre demande la liste de ces enfants là parce que c'est un problème national. Ce n'est pas un cas isolé, ce n'est pas un problème uniquement dans la circonscription numéro 14, c'est un problème national. Je m'évertue à dire la même chose tous les ans, M. le président. Depuis quatre ans, nos enfants n'arrivent pas à avoir tous leurs manuels scolaires à la fin de l'année. Je le dis, je l'ai dit, je le répète, c'est un problème. Il faut revoir tout le système et ne pas demander à ce que la liste vous soit soumise. Et le ministre parle également du cas des 600 enfants qui vont avoir des lunettes, des appareils auditifs. Mais comment va-t-on choisir ces 600 enfants ? Sur quel critère ? Cela va créer encore une discrimination entre les enfants et une frustration parmi les parents. Ce n'est pas possible, M. le président ! Et je demande au ministre de revoir le nombre d'enfants qui vont être touchés par ce programme. Et tout cela vient ajouter aux grands maux des petites gens : des manuels scolaires non distribués, des allocations sociales supprimées, des médicaments qui ne sont pas disponibles dans nos hôpitaux et qui coûtent chers dans les pharmacies malgré qu'on avait annoncé, il y a quelques années de cela, que les prix allaient baisser. La *tente bazar* qui coûte de plus en plus chère mais qui pèse de plus en plus légère, véritable casse-tête de la ménagère.

Il y a un grand problème de logement également. Le *Leader* de l'opposition, lors de son intervention, avait parlé de projet CIS et vous savez ce que j'ai entendu, M. le président. Un membre du gouvernement – il n'a pas encore pris la parole, j'espère qu'il va le dire publiquement lorsqu'il va intervenir – d'un ton ironique qui murmurait: '*abé bizin monte chalet pour zotte astère*'. Cela frisait l'arrogance et le mépris. Aucun mauricien, personne d'entre nous, n'a le droit de nier ses origines modestes et c'est cela qui fait notre force. C'est cela qui nous motive à travailler davantage pour les démunis.

Un dernier point, M. le président, et j'en aurais terminé - les femmes. Le titre du paragraphe parlant des femmes - *support to vulnerable women, children and families*. Or, qu'en est-il? Je ne vois rien de nouveau dans les mesures énoncées. L'année dernière, le ministre avait parlé de formation, de recrutement de

femmes dans le secteur de la construction, les femmes qui allaient travailler comme maçons, charpentiers, plombiers, etc., mais il n'en est rien. Le gouvernement a beau assuré qu'il créait de l'emploi, qu'il est en train de sauvegarder les emplois, les fermetures d'usines et les licenciements inquiètent. Combien de femmes ont bénéficié d'une telle formation? Combien de femmes ont été recrutées? Où sont-elles? Dans quel secteur? C'est bien facile de dire qu'on va former les licenciés, etc. Tout cela est joli, mais la réalité, M. le président, est tout autre. La femme qui a perdu son emploi doit se battre pour trouver à manger pour la famille, pour trouver de l'argent, comment payer les factures de l'électricité et de l'eau. C'est incroyable, M. le président ! Et on veut qu'elle aille se recycler en lui donnant une maigre pitance. C'est difficile, M. le président ! La vie devient de plus en plus dure. La population ne sait plus où donner de la tête. Les ménagères n'arrivent pas à joindre les deux bouts. La jeunesse ne retrouve plus ses repères. La colère gronde de partout et la frustration aussi. Et ce budget vient ajouter à l'exaspération. M. le président. Ce budget est tout sauf la justice sociale. Le pauvre devient plus pauvre et le riche plus riche. Vous allez me dire que c'est une formule maintes fois entendue mais c'est ainsi. Le fossé entre les riches et les pauvres s'agrandit. Le mauricien vit aujourd'hui un malaise, un mal-être. Il faut que le gouvernement *diffuse* ce problème. Il faut que le gouvernement *diffuse* – j'ai essayé de trouver le mot en français mais je ne l'ai pas trouvé – la situation en rectifiant le tir et le gouvernement....

(Interruptions)

Désamorcer, très bien, merci !

Et le gouvernement a les moyens de le faire. S'il est vrai qu'au plan économique les menaces se précisent et que nous sommes loin d'être vaccinés contre la crise mondiale, il est important cependant de prendre la mesure de ce qui se passe au plan social car cela risque d'être dur, très, très dur, M. le président.

Merci.

(5.38 p.m.)

Mrs B. Juggoo (First Member for Port Louis North & Montagne Longue): Mr Speaker, Sir, after listening to some Members of this House, I think, I agree to disagree with one or two of them. For me, rather this 2009 Budget marks a departure from conventional Budgets and corrects an anomalous socio-economic situation.

First, it is a transition budget which departs from an economic dependent on sugar foreign exchange proceeds. Today, the economy is much more broad-based; revenue flows are earned throughout the year, and it is logical that the Budget reflects them more accurately. Second, the Budget is an Action Plan. First of all, the project exceeds the normal budgetary time period and emphasises that this Government wants to see actions and results. Third, it is a Budget prepared in a difficult context, in a financial crisis, credit crunch and deepening recession which have hit our major trade partners. This international turmoil has entailed a deficiency in demand for the products and services in which our economy specialises.

Not surprisingly thereafter, that, in spite of the progress achieved over three years of strenuous efforts; the country finds itself amidst an economic storm. The situation in which we find ourselves strangely resembles Sisyphus myth of absurdity. Here, we are after great efforts, when we are to reap the harvest that we suddenly found ourselves to have to start all over again.

To tell my friend, hon. Mrs Navarre-Marie, fortunately, this Government never lost heart against adversity. Indeed, the Government has renewed its efforts; *a retroussé les manches et repartit vite en besogne*. As a result, the budget has been prolific in coming up with a comprehensive package of some 200 measures that have been spoken about that encompass social safety nets for the weak and vulnerable, a recovery plan fuelling SMEs and micro enterprises development, massive investment to catch up with the infrastructure deficit, including localised and grass root convenience development, stimulating agro industry to address food security concern, tourism and women empowerment.

I propose to focus on a few issues only, mainly the Stimulus Package, women empowerment and engendering the budget, local institutional capacity building and regional development, bridging the rural-urban gap through balanced regional development, fairer resource allocation and treatment and neglected projects.

The Stimulus Package, first of all, in the wake of a global contraction of demand when the private sector is facing considerable risks and cannot retain its workers, how does a responsible Government react? What Government should do to promote economic growth? How does the Government protect the weak, the vulnerable and restore dignity to those who have lost their jobs and face considerable uncertainty? The approach this Government chose laid emphasis on the potential or theoretical role of Government in mobilising resources, in raising investment, in creating social and economic infrastructure and creating the enabling climate stimulate growth.

Government cannot do everything at one time. To address this issue, the Vice-Prime Minister and Minister of Finance, hon. Dr. Rama Sithanen, in his wisdom, and in line with international trend - to correct my friend, hon. Mrs Navarre-Marie - decided to give a serum to the economy through a double Stimulus Package.

The first one which took the form of a mini budget injected Rs10.4 billion by front loading expenditure earmarked initially for a five-year span to be spent in two years. The second one is even more ambitious as it adds another massive injection of Rs14.3 billion to be spent over the next 18 months. The budget actually mentions Rs14.2 billion, but, by calculation, shows Rs14.3 billion - if I am right. We now have to focus on implementing these projects and I believe there is enough to meet projects at all levels without negative discrimination or in-built biases. I understand the approach is conceived at three levels - this is my understanding - and within a well conceived Keynesian framework of macroeconomic policies to achieve the desired ripple effect, namely national level, sector level and project level.

Before leaving this issue, Sir, and in view of the innovation brought in procurement procedures for rapid implementation of projects, we would put in place, as early as possible, an efficient Monitoring and Evaluation Unit to ensure effectiveness of project implementation, transparency, accountability and see to it that benefits from materialisation project trickle down to the people. It is important that people see and feel that they are benefiting from the implementation of a project; otherwise projects do not serve any purpose.

Reviewing our experiencing points out that most common problems are in the areas of asset management, application of commercial insights, project management, monitoring and control, vision, provision of services to users, especially at grass root level. Government needs to follow the practices of

corporations, liberate its mind from bureaucracy-induced inhibitions, develop strategic planning over a longer time horizon, manage its assets properly and transform itself into a citizen-driven Government. It is only then that taxpayers will be happy. We, as a Government, can be satisfied that we have put taxpayers' money to the best of its use.

While Government has devoted considerable resources to stimulate the economy, it has not forgotten or neglected its social role. *On ne va pas passer par le désert comme on nous a fait entendre ce matin.* In particular, there is a genuine attempt through an engendering process of the budget to empower women. There is much emphasis to assist women to launch their business. We have lost our jobs - we understand - but there is a way forward. I welcome this initiative both as a woman and as a Member of Parliament as well, more importantly, because in my constituency, there are hundreds if not thousands of women, single mothers, widows or vulnerable women trying to support their spouse by starting a small enterprise of their own. Many of them, in my Constituency, I would say, have even registered their business. You just have to have the will to do so and believe in yourself, that you can stand on your feet. I particularly like the flexibility of the scheme which provides either the financing of micro-enterprise at the level of own accounts, operation or grouping of women to achieve certain scale economies and build community team spirit. This has, of course, been given a new dimension to recognise the efforts of women. We have to make the effort. I can only hope that more funds will be directed to this category of women to help themselves, which, at the end of the day, should alleviate the social burden of Government.

The Government is fully conscious of its role of providing a safety net and to support the vulnerable segment community. I am not going to quote Mr François Mitterrand, but Mr Abraham Lincoln –

“The legitimate object of Government is to do for a community of people whatever they need to have done; they cannot do at all or cannot so well do for themselves in their separate or individual capacities.”

This is precisely what we are doing through this Budget. Mr Speaker, Sir. Now that the budget has earmarked considerable resources for development, I would urge Government to expedite matters and build institutional capacity to serve the needs of the people and, at the same time, achieve regional development balance. I have been militating for the modernisation of the Long Mountain Regional Hospital to cater for a growing local need. It is vital that funds be geared towards the implementation of this project as Long Mountain is also a nerve centre

in the region. The need for such a project has been long discussed, Mr Speaker, Sir, and we need to shed light on this project. That is why I proposed earlier a Project Monitoring and Evaluation Unit to ensure rapid project implementation.

The same scenario repeats itself in Cité La Cure where the people often live in abject conditions with many as destitute and often perceive themselves as being abandoned. Unfortunately, this happens also to be heavily populated by a specific ethnic group. Like everybody in this country, each community has the legitimate aspiration to enjoy good facilities. When these are denied or delayed, it is not surprising that this can degenerate into perceived notion of negative discrimination, including undesirable communal outbursts and become the easy prey of demagogues. To avoid such situation, we have to keep in mind to offer projects to all these people so that we make them part of the mainstream development and say to them loudly that they are part of an inclusion programme. To do so, we need to offer them projects that will be of benefit to them. For example, the Cité La Cure Health Centre is long-awaited.

Another project I would like the authorities to consider is the setting-up - of course, when there is finance - of a modern school for the dyslexia attained children. Since the film “*Taare Zameen Par*” has been shown, increasingly more and more children are being discovered even in Mauritius. Perhaps in the past, we were not aware of this because we did not know what it was all about.

Modern Mauritius can ill-afford to allow some of these children to grow up uncared and unattended. I would plead that we carry out an inventory of such children and mobilise funds to construct a specialised school for these children. We must not forget that many eminent people had been attained by this condition including Albert Einstein, Mike Brandt, Leonardo Da Vinci and even the great actor Abhishek Bachchan.

Finally, I would like to dwell a little on fund allocation between Municipality Councils and District Councils. Last year, I stated that Municipal Councillors are to be remunerated and I am glad that this has been remedied by the Ministry of Local Government. However, Village Councillors are still not remunerated, the people long for an intensification of democracy, full participation at grass root levels and better managed villages. In any case, we cannot have two types of councillors.

I am in a unique position of serving a Constituency, Mr Speaker, Sir, which is part rural and part urban. I can see *de visu* that there are two types of treatment,

rural areas get lower attention because fund allocations are lower than in urban areas. As a result, certain services are deplorable, in particular - I invite the attention of Members of this House to consider and compare - the scavenging services, the cleaning of drains, the lighting of streets and the state of absorption pits. We must not ignore that we assigned various environment treaties and we cannot allow our environment to deteriorate. We are a tourist destination and a modern Mauritius with such a tourist potential cannot afford to have decrepit buildings, unattended drainage network, smelly and overflowing absorption pits or poor lighting for that matter often conducive to commit undesirable social behaviour.

I am glad to hear hon. Dr. Boolell mentioning about anti-dumping. I hope that works will be attended to and have better reaction. Mauritius is progressing towards a city-State and needs one policy fits all. We need the same fund allocation for every citizen at every location in the country, for a large conglomeration in the north with high tourist potential and a bigger population fund allocated is significantly lower than far more than for similar needs in the Municipality of Port Louis. For example, we have Rs100 m. against Rs200 m. This is just a figure, Sir. I am not saying to reduce the Budget of the Municipality of Port Louis, but rather I am arguing for a fairer and more realistic allocation for the north which holds high development potential and makes significant contribution to the national pie.

We cannot encourage two types of societies within the same country. The District Council in the North requires a thorough revamping and it may have to re-invent itself to respond to the growing needs of its regions and the aspirations of its citizens. We need to remember that the longest village, which also happens to be the Constituency of the Prime Minister, is located in this region, and leads to three major tourist poles with numerous high-end hotels.

A Budget, Mr Speaker, Sir, is not simply balancing the book and looking at figures. While the technicalities are vital, policy matters are even more. Policy can bring huge changes in transforming a society and in uplifting the downtrodden, in bestowing dignity to people. Mahatma Gandhi put it so well: "There is enough to satisfy everybody's needs, but not enough to satisfy everybody's greed".

The private sector has made a commendable giant leap in assuming their social corporate responsibility. Some even started it even before any plea was made, which is a major paradigm shift of a new socio-economic order and new outlook of our private sector. However, this is just a first step and needs to be

strengthened and expanded so that it becomes part of Mauritian social, cultural and economic landscape.

Before concluding, I wish to congratulate our Prime Minister, Dr. the hon. Navin Ramgoolam and the Vice-Prime Minister, hon. Dr. Rama Sithanen for their patience shown to the nation and the good work carried out. Now, to conclude, I end up by quoting Jacques Atalli, *l'auteur de «La crise, et après?»* -

'Tout cela n'explique pas tout, M. le président. Ni pourquoi certaines crises financières sont surmontées, ni pourquoi d'autres dégénèrent en crise économique, ni pourquoi nous sommes aujourd'hui et seulement aujourd'hui dans une crise financièrement véritable planétaire. Pour résoudre ces énigmes, il faut, à mon avis, en revenir au moteur principal de nos sociétés qui est de respecter une valeur : la liberté individuelle. C'est la promotion de cette valeur qui entraîne l'émergence de nos systèmes économiques et financiers et provoque nos contradictions.'

Merci, M. le président.

(5.57 p.m.)

Mr R. Guttee (Third Member for Grand' Baie & Poudre D'Or): Mr Speaker, Sir, allow me to join my friends to congratulate the hon. Prime Minister, the Vice-Prime Minister and Minister of Finance who have together presented the fourth budget of this present Government.

I would like, at the very outset, to remind Members of the Opposition that this is not a Sithanen budget nor is it a Ramgoolam budget; it is a budget of the *Alliance Sociale* and every Member of the *Alliance Sociale* bears the same responsibility of the contents of this budget.

Mr Speaker, Sir, before I dwell on one of the measures in the budget, I would just like to make only two small remarks because I am not going to be demagogical about the Opposition. I listened to the hon. Leader of the Opposition speaking about the budget and I found myself just as I was one day sitting in front of a stage in Grand' Baie listening to the jokes that *Mamie Clown* was making in front of the audience. Believe me, I found myself yesterday, on Monday and on Tuesday as well on the same level...

Mr Speaker: No, I am sorry, the hon. Member has to withdraw that.

Mr Guttee: I am sorry. Mr Speaker, Sir, I withdraw. I was not convinced Mr Speaker, Sir, about his speech and I could say the same for hon. Mrs Navarre-Marie. I am not very much convinced about the remarks they have made because this budget contains about 200 measures and not even one of them has been mentioned. Nobody has talked about the measures that are right or wrong. We were expecting them to say that this measure has been announced and it is not good. I feel that they are just making remarks in the public outside, just saying that these are the only social evils existing in this country. We are here to discuss about a budget and the work of the Opposition is to say what is wrong in the budget. I could not find one of these 200 measures, saying that this part is not good.

Mr Speaker, Sir, everybody in this country knows about the crisis the world is facing, except for a few. Why? Because either they do not understand what is the problem nowadays or either *quelqu'un nous a dit: 'n'essayez pas de me réveiller, je fais semblant de dormir'*. Either they do not want to understand this global crisis and the parameters within which *on a préparé ce budget* or they seem not to speak about the world crisis. It is not a budget that has been prepared under normal circumstances. Everyone, on this side of the House, has made the remark that this budget has been prepared in a condition where we are facing and we are

suffering all the fallings of the global economic and financial crisis that is coming on us. And keeping in mind all these problems, we have to *rectifier le tir et voir comment on peut s'en sortir*.

Mr Speaker, Sir, at a time, when all forecasts of economic performances are gloomy, when millions of people are losing jobs worldwide, when the global GDP is below zero rating, we, being a tiny island, cannot be *plus royaliste que le roi*. How long shall we have to wait for the sky to clear? It is difficult to forecast. Under such circumstances, this Government has taken the bold decision, bringing the 200 measures in this budget in order to find a way out of this gloomy sky.

Mr Speaker, Sir, I listened to hon. Bodha making some proposals. I cannot say they are very good proposals, but, yet, I could not follow him on some points when he says that we should address measures now to face the crisis. Mr Speaker, Sir, we cannot go and dig a well to find out water when the house is on fire. This Government, a few years ago, started this reform programme and, if, today, we can stand and say that we are also in a position to face the world crisis, it is because of the reforms placed earlier and giving the results now.

Thanks to the farsightedness of the hon. Prime Minister and the Vice-Prime Minister & Minister of Finance, we can still keep our heads above the water. When this Government was putting into practice the Additional Stimulus Package in the form of a mini budget, the United States was still not aware of any Stimulus Package at that time. It was this country that first started the Stimulus Package. When this Government was working night and day to save this country from the dangers of the crisis, the Opposition was finding means and ways to poison the mind of the population, making sheer demagogy, saying that Government is spending public money lavishly by giving to the capitalists. That is not fair! They dwell on that and they say that we are saying *bla-bla-bla*. I think, they should look at themselves in the mirror.

Mr Speaker, Sir, the Additional Stimulus Package has started giving results. The hon. Minister of Finance, in his present budget, has given more than eight reasons and examples to prove that the Additional Stimulus Package is, in fact, helping the country to face the crisis in a responsible way. Jobs are being created, vulnerable groups are being taken care of and jobs are also being saved through the Food Aid Programme, *Un Toit pour Toi*, social aids, refunds of examination fees and so on. The list is long about how we are tackling the problems of the vulnerable groups.

Mr Speaker, Sir, the hon. Vice-Prime Minister and Minister of Finance is right when he says that this global recession should not, in any way, lessen our determination to forge ahead so that we can achieve our goal, achieve the heights of development and keep up the social progress achieved during the past four years.

Mr Speaker, Sir, we are fully aware of our responsibility and our promises to this nation. We have to save jobs. We have taken the oath to protect our people, and we will prepare them for recovery from this global crisis. Mr Speaker, Sir, this is what this budget is all about. It is a well-knitted action plan to give rays of hopes and help the country to emerge as a strong nation, and that is where the Opposition is not happy. *Les prophètes de malheur se sentent très mal à l'aise avec cela.* Mr Speaker, Sir, no Government has ever been able to create jobs for everybody in the public sector. Hundreds of people queue up at the CAB office, others queue up in our residence, but, yet, this Government is not leaving any stone unturned to see to it that everyone gets a decent living. We cannot remain insensitive to the cry of the people in the hard times that we are all going through.

Mr Speaker, Sir, Government wants to help workers save their jobs. This Government wants to protect the people by giving support to vulnerable enterprises and one such industry is the small and medium enterprise. Many countries have given a boost to the SMEs to keep the workforce busy. Our country is now at the threshold from where we can bring all SMEs and micro enterprises under a safety net. *Le moment est propice pour rectifier le tir et voir ce que nous pouvons faire pour nos compatriotes.* That's why the hon. Minister of Finance has enumerated several actions to help the population avail of this opportunity to create small and medium enterprises and also help those already existing.

Mr Speaker, Sir, communication, information and training are the soul of the existence and progress of any enterprise. This budget deals with communication, campaign and also guidance to SMEs through the recruitment of consultants. Many people started their own industry, either through their savings or by contracting loans. Most of them could not go far. They either did not get the right counselling or they could not find a market for the final products, which is of utmost importance. By providing these people with consultants, Government wants them to restructure their plans. Schemes have to be formulated to encourage them and they can draw their benefits. They are being encouraged to become corporate bodies, they are being given exemption of registration duties, and company registration fees are also being waived off until December 2010.

That is not all, Mr Speaker, Sir. The Mauritius Business Growth Scheme is another innovative scheme of this present budget. This scheme will promote business growth in SMEs. People are called to take advantage of this scheme and advice on planning will be provided.

Mr Speaker, Sir, as I pointed out earlier, anyone who starts a new business has to find out financial support. This budget speaks about the SJR Fund, that is, the Save Job and Recovery Fund. There is no doubt that through the SJR Fund, Emergency Export Credit Insurance, Additional Stimulus Package and banks adding the sum of Rs300 m. to support the SMEs, a new path is being paved and the population should take advantage of that. Government is even guaranteeing 50% of loans on burden sharing basis between the operator and his banker. One more important point that is worth noting, Mr Speaker, Sir, is laying stress that the loans will be on a key repo rate.

M. le président, l'autre souci que j'avais mentionné est de trouver un marché aux PME and help these people. Several steps are being envisaged to safeguard the existence of the SME industry. The joint SME/Customs Committee on the evaluation of imports is being set up. This will help to wipe out unfair competition in prices of local products, anti-dumping taskforce on norms and standards and the innovative labels genuine Mauritian handicraft are few of the assurances given to those mentioned in the small and medium enterprises.

Mr Speaker, Sir, existing SMEs have not been forgotten as well. The Vice-Prime Minister and Minister of Finance has taken care to mention the support for micro and small businesses, including those in distress. The one-off special scheme to facilitate the settlement of arrears, was announced and put in practice in the last Budget, and is now being extended up to 30 June, 2010. Who are those who can take advantage of the scheme? To mention but a few, they are artists, fishers, pig breeders, small sugar cane planters, vegetable growers, fruit growers, potato growers and so on. Mr Speaker, Sir, the list is long. And that is where we say that we are Putting People First and we are trying to save the jobs of the people.

Mr Speaker, Sir, taxi drivers working in hotels under construction *ont poussé un ouf de soulagement avec ce budget*. Moratorium in payment of capital on loans during that period and full interest relief for that period has been taken care of. The DBM, once again, is being called upon to play a key role to help those people to face this global crisis. Measures, such as full waiver of penalty and interests accumulated have been announced in this budget. This is not *bla-bla-bla*; this is Putting People First; this is protecting people; and this is saving jobs. I have no

doubt that given all these safeguards and facilities for SMEs to become a promising industry, that will bear its fruits and help the country folks à *voir la lumière au bout du tunnel*. My hearty wish is that people take advantage of this scheme and get a decent living.

Mr Speaker, Sir, I will fail in my duty if, before taking my seat, I do not thank the hon. Prime Minister, the hon. Vice-Prime Minister and Minister of Finance.

(Interruptions)

Mr Speaker, Sir, it is not a question of '*tickets*'; it is on behalf of people of the Constituency of Grand' Baie and Poudre d'Or. I seize this opportunity to thank the hon. Prime Minister and the hon. Vice-Prime Minister and Minister of Finance for the inclusion of so many capital projects in the constituency. May I take the liberty to point out that in the history of this country, it is the first time that so many projects have been announced in this budget? Consideration is being given to so many projects in Grand' Baie and Poudre d'Or, even in the absence of a hon. Minister in that constituency.

The integrated fish culture project in *Barachois* will definitely be a catalyst to revive the activities of the village of Poudre d'Or. Mr Speaker, Sir, *entre parenthèses*, only yesterday, I was attending a funeral in Poudre d'Or, and so many people asked me to thank the hon. Minister of Finance for announcing the name of Poudre d'Or while he was reading his Budget Speech. I am sure the Fishermen Investment Trust will leave no stone unturned to start this project in the immediate future.

The Goodlands bypass is a dream coming true. Governments have come and gone. Ministers have come and gone, and even kicked out. They did nothing to ease the pain of the people coming in and out of Goodlands. The credit of this dream becoming true goes to the hon. Prime Minister, the hon. Vice Prime Minister and Minister of Finance, and my hearty thanks go as well to hon. Anil Bachoo, Minister of Public Infrastructure. He made it a duty to pay a site visit and put his efforts for the project to start now.

Mr Speaker, Sir, one previous Minister even tried to change the name of Petit Raffray. And we all know to which party he belongs. This Government, by restoring the old windmill at Petit Raffray, is honouring the residents, and I have no doubt that soon this village will be on the list of tourist visitors and a way of boosting commercial activities in the area.

In the same context, may I kindly request the hon. Minister of Public Infrastructure to look into the possibility to have a footpath along the main road near the windmill, because the road, being too narrow, is a potential danger to the users and students of the primary schools there?

Mr Speaker, Sir, Grand' Baie is one of the tourist villages where life goes on 24/7 basis. Government's decision to place CCTV in Grand' Baie is but a laudable one. Mr Speaker, Sir, here is another example of Putting People First.

Another example of protecting people and, yet, another example of a decent dwelling for families in need. I am speaking about *Cité Lumière* Project in Grand' Baie. The project of relocating the 38 families of Cité Lumière, Grand' Baie to a nearby area is yet another milestone for this Government. Mr Speaker, Sir, the 38 families have been allocated the plot of land, the plans of residential buildings are ready, the Trust Fund for Social Integration has already collected part of the finance. This is a long-awaited project. Some of the residents have already moved to the site and are constructing on their own. Mr Speaker, Sir, may I, therefore, urge the hon. Vice-Prime Minister and Minister of Finance to see that the project is accomplished with no further delay?

Mr Speaker, Sir, may I conclude by making an appeal. Rs10,000 are being deducted from Ministers' salary to contribute to a Solidarity Fund. May I appeal to the Chairperson of parastatal bodies and Chief Executives of both public and private sectors to contribute, *dans un élan de solidarité*, to surmount the crisis? I expected the hon. Leader of Opposition to have a sense of patriotism. *L'autre l'opposition a montré sa solidarité envers la patrie.* Mr Speaker, Sir, charity begins at home. I, therefore, announce that 2% of my basic salary be deducted as a contribution to these families. Long live my motherland in peace, justice and liberty!

I thank you, Mr Speaker, Sir.

(6.17 p.m.)

Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière): Mr Speaker, Sir, of course, I won't reply to my good friend, hon. Guttee, as he has done his duty as a Member of Government to talk about the budget. But let me remind him about this 2%. We have publicly declared, that whatever Fund, whatever contribution, on our side we are ready to assume our responsibility towards the country as we have done in the past.

M. le président, avant de venir sur mon intervention sur le budget, je souhaite faire une remarque générale, préliminaire. M. le président, personne dans le pays, ni vous, ni nous, de ce côté de la Chambre, du côté de l'opposition, ni la population souhaite que la crise économique s'amplifie dans le pays, et que cette crise devienne une dramatique crise humaine. Nous sommes tous des patriotes et nous ne sommes pas des oiseaux de mauvais augure et, encore moins, des semeurs de panique. Nous n'avons pas deux passeports, nous sommes tous des mauriciens. Il faut qu'il écoute et qu'il voit. J'ai l'impression qu'il n'écoute pas assez et qu'il n'entend pas ce qui se passe dans la rue. Ce ne sont pas seulement les syndicats qui sont contre ce qui se passe au niveau de la politique des salaires du gouvernement. Il faut aller au marché et voyager dans les bus. L'honorable Duval avait voyagé dans le bus une seule fois dans sa vie. C'était pour les élections partielles de Beau Bassin/Petite Rivière. Jamais après! Je lui demanderai en tant que vice-Premier ministre d'aller voyager par le Rose-Hill Transport de Grand' Gaube ou de Port Louis à Stanley et d'aller entendre ce que les gens disent et la souffrance du peuple. M. le président, les gens sont en colère. C'est pour cela que l'autre jour, s'il y avait un applaudimètre dans cette Chambre, on aurait pu réaliser. Jamais, M. le président, avec mon expérience, pendant les 26 ans que je suis là, j'ai entendu si moins d'applaudissements. Jamais dans les annales du Parlement! Et on aurait pu voir les visages des membres du gouvernement! *Karaye chaud dehors!* Il y a un accueil froid dans l'hémicycle du côté du gouvernement parce que depuis 2005, notre cher ami a demandé à la population de serrer la ceinture et d'attendre. Il faut la réforme pour pouvoir venir avec des jours meilleurs.

M. le président, depuis 2005, la population est en train de souffrir. Que ce soit au niveau du coup de la vie, de la sécurité ou de l'emploi. Cela explique la colère de la population. Qu'est-ce qu'on a entendu, M. le président? Le ministre des finances a lui-même dit qu'il a trois choses à offrir au pays: son sens de responsabilité, ses compétences et son expertise. Mais la responsabilité envers qui, M. le président? La population avait souhaité qu'il fasse preuve de plus de responsabilité et plus d'humanité et d'équité au niveau des plus pauvres et il sait

qu'il y a des gens pauvres dans sa circonscription. Je lui demanderai, encore une fois, d'aller faire un tour dans les quartiers de la circonscription numéro 18.

M. le président, depuis 2006, on a eu trois réformes : la réforme *for a robust economy*, la réforme *for an early harvest* et la réforme de FDI. Mais quelle était la conséquence de cette réforme pour la population? Les riches sont devenus plus riches et les pauvres sont devenus plus pauvres.

M. le président, n'en parlons pas de la bourse moyenne. Dans ma circonscription, il y a la bourse moyenne. M. le président, ce fossé entre les riches et les pauvres s'est agrandi et il y a plus d'inégalité dans le pays. Selon le CSO, la pauvreté a augmenté depuis 2005. Ne parlons pas du pouvoir d'achat de la population !

M. le président, concernant les services du gouvernement, cette année-ci les membres du gouvernement sont en train de courir après les projets. Depuis 2005, je n'ai pas entendu le ministre responsable de la NDU. On ne parle pas de la collectivité locale venir avec un *policy statement*. M. le président, si on me demande qui est mon PPS - je suis un homme averti, je lis, j'entends - je ne connais même pas qui est le PPS de ma circonscription. J'ai demandé, peut-être on va me faire savoir tout à l'heure.

(Interruptions)

C'est une erreur! C'est l'honorable Moutia!

(Interruptions)

Mr Speaker: Order! Silence! Order! Don't waste time!

Mr Bhagwan: Au niveau des services publics, M. le président, après 2005, tous les services paraétatiques, gouvernementaux et *Local Government* sont complètement désorganisés. Aujourd'hui, on parle d'infrastructure, on parle des projets qui ne sont pas concrétisés et maintenant on accuse le *Central Tender Board* et le *Central Procurement Board*. M. le président, ils n'ont pas su gérer. Je prends la NDU comme exemple. Nous avons lancé un *Land Drainage Programme*. En 2005, dans son premier discours, le gouvernement avait dit : *'The Land Drainage Programme will be accelerated'*. Le ministre responsable n'a jamais fait une déclaration au parlement; il n'a jamais fait une conférence de presse. Combien de drains ont été construits? Combien de millions ont été

investis? Chaque année on a de grosses pluies et il y a eu des inondations. On a même eu une commission d'enquête. Récemment on a dû fermer les écoles.

M. le président, que ce soit le MPI ou les autres ministères, ce n'est pas juste de venir mettre tout cela sur le dos du *Central Procurement Board*. Le problème est au niveau du gouvernement. Ce sont les ministres et le Premier ministre qui sont responsables pour faire le suivi. Ce n'est pas *après la mort la tisane* ; ce n'est pas maintenant, à la veille des élections, qu'on va faire un *fast track*, qu'on va faire le suivi et on va mettre un comité au bureau du Premier ministre. Mais pendant quatre ans, qu'est-ce qu'ils ont fait, M. le président? La population a le droit de savoir au moment du budget où nous sommes demandés à voter des milliards pour la prochaine année financière.

M. le président, je ne vais pas prendre beaucoup de temps aujourd'hui. Je suis préoccupé avec ce qui va se passer tout à l'heure. Aujourd'hui, nous sommes arrivés à une croisée de chemin quoi qu'on puisse dire que les élections arrivent dans douze mois. M. le président, la population en a marre des slogans creux du gouvernement. La population a été témoin de comment l'île Maurice a été gérée pendant ces quatre dernières années. La population a été témoin grâce aux radios libres et certains journaux qui rapportent les questions parlementaires. C'est mon souhait qu'on ait en direct les débats à la radio et à la télévision.

M. le président, la population sait ce qui se passe et comment on répond les questions parlementaires. On ne peut rien faire parce que les *Standing Orders* sont ainsi. Par exemple, aujourd'hui, la STC est impliquée dans les courses des chevaux.

(Interruptions)

Réponse talère, qui to pé réponse astère là !

(Interruptions)

Mr Speaker: No interruption, please! I said, no interruption!

Mr Bhagwan: La population est intéressée à savoir ce qui se passe au « *Pepsi Hungama* », à la MBC/TV, station de matraquage du gouvernement. Le Premier ministre lui-même a dit qu'il y a eu *hungama* et il a ordonné une enquête. C'est l'argent public. La population paye R 100 et des millions sont versés à la MBC/TV.

M. le président, la corruption fait rage. Aujourd'hui, nous discutons du budget. A *Air Mauritius*, certaines personnes sont impliquées dans des *hedgings*, ils partent avec des milliards *scot-free*. Ils ont eu des bonis. J'ai payé R 34,000 pour que ma fille puisse venir passer ses vacances à Maurice. Eux, ils ont eu des billets d'avion pour faire leurs enfants venir tous les week-ends en première classe. C'est le règne de l'Alliance Sociale pendant ces quatre ou cinq dernières années, M. le président.

A la CNT, on a cessé les services de nuit et le paiement d'*overtime* pour le personnel.

(*Interruptions*)

C'est quelqu'un de l'Alliance Sociale, et personne ne peut le renvoyer. M. le président, n'en parlons pas des autres ! Il y a eu la démission de l'*Adviser* du Premier Ministre. Je ne vais pas mentionner son nom, il est responsable du port, M. le président. Il y avait un *Chairman*, un ami à moi, qui était président du port et qui a dû démissionner. Voilà pour les quatre ans, M. le président ! La discussion du budget, c'est l'argent du public, que se soit le port ou l'aéroport, M. le président. C'est un moment où nous discutons des milliards et rien pour les pauvres, '*maja karo*' pour les autres, mangé, boire. M. le président, ce n'est pas ainsi qu'on devient sérieux, la population n'est pas dupe. C'est pour cela que je dis qu'il y a de la colère, de la rage et que les membres de ce gouvernement ont intérêt, dans ces quelques semaines ou quelques mois à venir d'essayer de sauver leurs circonscriptions. Voilà, M. le président, le *mood* dans le pays. Il y a ce *mood* de laisser-aller, il y a ce *mood* de politique de petits copains, il y a un *mood* de corruption.

Je reviens sur la MBC, M. le président. Et nous prions Dieu que nous aurons une télévision privée car la MBC est la voix propagande du gouvernement. Comme dans toutes les démocraties, le *Leader* de l'opposition aurait dû avoir un *live coverage* de son discours hier. Un pas en avant ! On a écouté le Premier ministre, on a écouté le *Third Reading* du Premier ministre et son *summing up*. Pour moi, c'est muet, on ne va même pas me voir ce soir, surtout que je parle de la MBC.

M. le président, voilà un peu le *early harvest*, le *bumper crop*. C'est cela le résultat de leur gestion C'est lui le ministre des finances, c'est lui qui approuve sauf le Dr. Boolell l'autre jour ! M. le président, je ne vais pas venir sur les grands mots du *Stimulus Package* et autre. Je laisse cela aux membres du gouvernement

eux-mêmes, comment dans la transparence cela a été géré, comment certains ont eu R 30 millions et comment d'autres ont eu d'autres avantages. Ce qui m'intéresse c'est la population, le pays. Je suis mauricien, j'habite ici, j'ai mon passeport mauricien et je vais mourir ici. Ce qui m'intéresse c'est mon pays.

M. le président, le vice-Premier ministre et ministre des finances aurait dû commanditer un sondage sur l'aspect social, quel est le *mood* au niveau de la population. L'honorable Madame Arianne Navarre-Marie a parlé de longères et c'est honteux. Tout le monde reconnaît que le vice-Premier ministre fait beaucoup d'efforts sur l'aspect touristique. Comment peut-on permettre la construction de longères en tôle, des bidonvilles sur l'autoroute ? C'est cela la mentalité de certains dans ce gouvernement. Il l'a dit et je lui laisse le soin de répondre. C'est cela qui fait la différence entre nous. Quelqu'un avait même parlé de chalet. Nous avons été au gouvernement, nous avons été dans l'opposition, l'honorable Cuttaree, l'honorable Ganoo, et nous sommes des anciens, des vétérans. Nous avons été dans l'opposition en 1983 et en 1987. Nous n'avons jamais fait une opposition contre le pays. Nous avons été constructifs.

(Interruptions)

Je réponds à l'honorable Dr. Boolell qui fait mention de Sheik Hossen. C'est grâce à Sheik Hossen que vous êtes venus au pouvoir en 1995, et le Dr. Navin Ramgoolam est devenu Premier ministre. C'est grâce au MMM et nous sommes fiers de cela. Pourquoi faites-vous allusion à Sheik Hossen ? Parce qu'on n'est pas ensemble, on n'est pas avec vous. On a le droit de différence. Il faut accepter cette différence. Alors pourquoi ? Parce que nous sommes ici. Alors, c'est de la démagogie.

(Interruptions)

Qu'est ce qui se passe. M. le président ? Nous allons être ici pendant beaucoup d'années encore, croyez-moi ! M. le président, le budget est un exercice comptable, ce sont des intentions, et c'est après qu'on va connaître le résultat. C'est toujours post-budget. C'est pour cela que lorsque nous analysons le budget, nous faisons référence au bilan des années précédentes. C'est de cela, aujourd'hui, que la population en a marre avec l'Alliance Sociale, parce que le résultat c'est « *zéro plombage* ». Il y a beaucoup de promesses pour changer l'avenir mais pour le pire. Il n'y a eu presque même pas concernant la construction des maisons pendant ces quatre dernières années. On attend toujours ces *low-cost housing*. Je

ne vais pas blâmer mon grand frère, l'honorable Dr. Kasenally car il vient d'être nommé.

Heureusement qu'il y a eu un changement au niveau du sport. Je ferai appel au ministre concerné, au nom des artistes, il ne peut pas venir jeter une idée. Moi-même, j'étais maire. On a construit des infrastructures. Les artistes font beaucoup d'efforts. Très souvent, on organise des activités culturelles sur le terrain de foot et il y a des dommages. Mais on ne peut pas faire une déclaration comme cela, sans avoir une alternative.

(Interruptions)

Les artistes font beaucoup d'efforts; ils organisent des manifestations pour leur survie et pour le pays. Je fais appel au ministre des sports de trouver une alternative et parce que le ministre des finances a des milliards. Pourquoi ne pas construire autre chose de spécial pour organiser les trucs culturels ? M. le président, je ne voulais pas venir avec toutes mes notes à cause du temps. Tout ce que je souhaite, M. le président, c'est que le pays a besoin de respirer. Ceux qui ne côtoient pas le petit peuple, ne voient pas la misère de la population, pas seulement les gens pauvres, les petites gens et aussi la classe moyenne. Les riches sont devenus plus riches ; ils seront toujours riches, mais ils vont se plaindre aussi. Je fais un appel à ce gouvernement de faire attention 'au retour de la manivelle' car c'est la démocratie. Certains ont dit dans cette Chambre, je suis là pour 40 ans, je suis là pour 50 ans. *At least for those who have been elected for a first time, they must try to be elected for a second time, then they can say they have achieved something.*

Merci, M. le président.

(6.38 p.m.)

Mr C. Leopold (Third Member for Rodrigues) : M. le président, merci de me donner l'occasion de dire quelques mots sur ce présent budget. Depuis quelques mois, le monde entier passe par des moments très difficiles avec deux grands phénomènes, notamment la crise alimentaire et la crise financière. Etant donné que nous vivons dans un village global - le monde maintenant étant un monde global - Maurice ainsi que Rodrigues n'ont pas été épargnées.

Ceci dit, M. le président, toutes nos ressources financières, humaines, naturelles et autres doivent être mobilisées de façon optimale si nous voulons vraiment traverser ce gouffre sans faire trop de casse. C'est ainsi, M. le président, qu'un exercice budgétaire est l'occasion de remettre la pendule à l'heure pour restimuler toutes nos sphères économiques et sociales car l'enjeu est de taille et tout un chacun doit se mettre du sien pour arriver à bon port.

Mr Speaker, Sir, to be fair, a budget contains some very positive points pertaining to most of the economic and social sectors. I know that much effort is being noted in the field of education. I welcome the idea of setting up a campus to enroll some additional 8,000 students with various measures taken in favour of farmers and planters. The Food Crop Insurance Scheme will certainly encourage more people to plant and hence reinforce our fight in this global food crisis. However, I feel that this insurance should also be extended to diseases for these crops are very prone to same.

Credit, Mr Speaker, Sir, is also given to the Potato Purchase Scheme and the onion seed purchase. Encouragements to farmers are also noted as for the introduction of the development scheme and other measures for fishers. Numerous efforts are being devoted to save jobs despite the financial crisis and many new schemes have been introduced. I take note, Mr Speaker, Sir, of the huge infrastructural project as stipulated at page 26 under the title - 'Launching the Largest Investment Programme in the history of Mauritius.' It is great.

C'est extraordinaire, mais, M. le président, qu'en est-il de Rodrigues? La République s'étend jusqu'à Rodrigues. M. le président. Jamais un budget n'a été suivi avec autant d'intérêt à Rodrigues et, pour cause ! Depuis vendredi 22 mai 2009, après la présentation du budget, j'ai moi-même reçu pas mal de correspondances des Forces Vives, des ONGs, surtout des opérateurs touristiques, des emails des Rodriguais à Maurice et des Rodriguais à l'étranger. C'est pour

montrer combien à 600 kilomètres du *main land* Mauritius, on est sensible à ce qui se passe, ici, à l'Assemblée Nationale. Dans ces différentes correspondances, il y a bien sûr certains qui ont exprimé des satisfactions, d'autres des mécontentements, voire des inquiétudes, mais, M. le président, la question est : pourquoi ? Il se pourrait que l'attente était grande, voire trop grande, mais il se pourrait aussi que les aspirations, ce qu'on attendait, n'a pas été *fulfilled*. Parce que, M. le président, pour être honnête, à Rodrigues, on assiste, en ce moment, à une perte vertigineuse du pouvoir d'achat avec des flambées de prix de matériaux de construction, la consommation et surtout la précarité des emplois. Bien sûr, le peuple - et c'est légitime - s'attend à ce qu'il y ait, dans le budget, pour la population, de manière générale, étant donné que nous, nous avons à Rodrigues, de manière plus spécifique, des mesures, bien sûr, qui nous touchent au cœur. On s'est bien serré la ceinture pendant deux ou trois années et dire maintenant on va pouvoir respirer, mais la crise économique n'a pas arrangé les choses. Je suis tout à fait d'accord, mais, M. le président, je vais y revenir pour étaler quelques points qui m'ont un peu marqué dans ce présent budget. Sincèrement, M. le président, cette année, cela m'a touché, un chapitre entier a été consacré à Rodrigues. Cela m'a fait chaud au cœur. C'est pourquoi j'ai fait la déclaration qu'on est content. Il y a quelques douze paragraphes sur Rodrigues intitulés – '*General Solidarity with our Citizens in Rodrigues*'. Donc, je vais commenter certains points.

M. le président, je vais commencer avec le secteur touristique. Nous savons tous, ici, dans cette Chambre, les problèmes que fait face actuellement l'industrie touristique à Rodrigues. Nous avons posé des questions et l'honorable membre de Maurice et tous les quatre membres de Rodrigues ont été unanimes à poser des questions à propos de ce déclin dans l'arrivée touristique à Rodrigues. C'est pour montrer qu'on a un souci de ce moteur économique du pays qui, en ce moment, est en train de connaître pas mal de problèmes. Si on regarde les statistiques, M. le président, pour l'arrivée touristique à Rodrigues, pour l'année 2008, nous avons une baisse de 15,2% - ce sont les statistiques fournies par l'office du tourisme - passant de 48,497 touristes à 41,136. Mais si on fait une analyse plus poussée par l'origine des touristes, on voit que les touristes venant de l'étranger n'ont pas connu de baisse considérable, au contraire, par exemple, du Sud Afrique, on a eu une augmentation de 24,6%; des Seychelles, 37,5%; de la Belgique, 24,6%; de l'USA, 5,5%; du Danemark, 16,7% mais, par contre, d'après nos statistiques, nos problèmes viennent essentiellement du *main land* Mauritius où on a eu une baisse de plus de 21,7% rien que pour l'année 2008. Là, pour nous, c'est alarmant. Pourquoi c'est alarmant, M. le président ? Je voudrais saisir l'occasion pour dire parce que lorsque ces amis de Maurice viennent à Rodrigues, ce sont eux qui achètent nos limons, tous nos produits de transformation agricole, la vannerie,

donc l'artisanat alors que les touristes qui viennent de l'Europe et de l'Afrique du Sud, ils viennent pour des photos. Ceci dit, M. le président, notre industrie touristique, surtout les petits commerces aux alentours tournent grâce à nos amis qui viennent de Maurice. Maintenant, avec cette baisse, M. le président, l'industrie est en souffrance. C'est pourquoi je remercie d'ailleurs l'honorable Docteur Bunwaree pour son discours du 14 juin 2000 qui avait dit ceci -

'It is our deep conviction that to achieve this goal, cela veut dire pour rendre Rodrigues plus commercially friendly, we have to make a very distinctive effort. Therefore, we are announcing today that Rodrigues will be designated as a special development zone. We are proposing to make of Rodrigues a custom duty-free zone for most consumption goods and for all investment goods. Passengers will be eligible for a duty allowance of Rs1,000.'

Et c'est vrai, M. le président. Ceux qui ont visité Rodrigues pendant cette période, se souviennent comment était la vie à Rodrigues. Les mauriciens prenaient leur *passage benefit*, leur *mileage credit* pour aller à Rodrigues justement pour visiter le pays, mais, en même temps, cela faisait tourner l'économie. Mais depuis, M. le président, les choses ont changé, mais pas nécessairement dans l'avantage de Rodrigues parce que quand je regarde le discours du Budget de 2005-2006, au paragraphe 208, il y a eu des mesures qui ont été prises pour Maurice, *I quote -*

"I announce a historic decision to make of Mauritius a duty-free island, there is a national purpose for making this a historic decision. It is to transform Mauritius into a shopping paradise for tourists."

Depuis ce jour, M. le président, c'est là qu'a commencé le *burden of the tourist industry in Rodrigues*, c'est-à-dire, quand les mauriciens ne voyaient pas l'intérêt d'aller à Rodrigues parce qu'avant ils pouvaient acheter des appareils électroménagers, par exemple, en *duty-free* et que maintenant ils pouvaient les avoir à Maurice. Donc, cette décision a été bonne pour Maurice, mais, malheureusement, cela a été au détriment du tourisme rodriguais. Et depuis, M. le président, les choses se corsent. C'est là le problème. C'est pourquoi avec les différentes questions qu'on avait posées, ici, à l'Assemblée, j'étais très content quand le ministre des finances avait annoncé au paragraphe 228 dans son discours que -

«We want to give the boost to the tourism industry, we are thus suspending the travel tax to Rodrigues until December 2010 and Government will make up a shortfall of Rs10 m.»

Là, franchement, j'étais vraiment content parce que c'était une mesure qui allait *boost up* l'industrie touristique. J'ai même fait une déclaration à la radio mais en arrivant à Rodrigues ma tête était mise à prix. C'est là que je me suis renseigné. J'ai fait le *breakdown* d'un billet pour Rodrigues parce qu'il y a un membre dans cette Chambre qui, juste après l'annonce, m'a dit que maintenant il pourrait aller à Rodrigues. Je lui ai dit : 'bien sûr, j'invite tout le monde à venir à Rodrigues.' Quand on fait le *breakdown* du prix du billet, M. le président, c'est R 4,370, mais il y a deux taxes sur le billet. On a le *fuel tax* de 72 euros. Donc, c'est sujet à variation, *exchange rate*, et ensuite on a le *airport tax* de R 150. Mais étant donné que le ministre des finances a parlé d'un *travel tax*, il n'a pas aussi énoncé le *quantum*, j'espère que ce n'est pas uniquement le *airport tax* de R 150 parce que sur R 8,165 un billet, on enlève R 150, alors là, tous ces applaudissements vont me faire mal. Je comprends que nous passons par des moments difficiles, mais j'aurais aimé, par exemple, si on pourrait *cross-subsidise* le billet. J'ai cru comprendre que le problème est avec le *fuel tax*. Mais si on pourrait, par exemple, *cross-subsidise* le billet comme on a fait avec les cannettes de bière, de boissons gazeuses, on pourrait *cross-subsidise* le billet pour Rodrigues, disons baisser le billet par R 1,000 ou R 2,000. A ce moment-là, tous nos amis de Maurice vont vouloir venir à Rodrigues. Air Mauritius, l'industrie touristique et l'artisanat vont bénéficier en même temps. Je ne vois aucun mal, M. le président. En même temps, nos petits piments vont se vendre à merveille, nos chapeaux, nos 'tentes vacoas', nos ourites et nos limons. Tout cela, M. le président, au bon plaisir des palais des amis mauriciens. This is my appeal to the Minister of Finance: *faire ene zeste vis-à-vis Rodrigues*. Parce que je note que quand il y a eu une baisse d'environ R4,000, il y a quelques semaines sur La Réunion, il y a eu *overbooking* sur Maurice.

M. le président, je vais maintenant venir sur un autre secteur qui est le secteur de la pêche. Là aussi on a créé pas mal de mal entendus. Même le gouvernement régional à Rodrigues a failli connaître des secousses à cause du secteur de la pêche. C'est pour vous dire, M. le président, qu'à Rodrigues nous avons 2000 pêcheurs professionnels, presque le même nombre qu'à Maurice. Il y en a ceux qui sont engagés dans le lagon, d'autres qui sont engagés dans la pêche hors lagon. M. le président, il faut voir dans le contexte pourquoi tant de personnes - il y a 35,000 personnes à Rodrigues, il y a 1.2 millions à Maurice, il y a 2000 pêcheurs à Rodrigues et 2000 pêcheurs à Maurice - sont allées vers la pêche. Il y a beaucoup de raisons, M. le président. A un moment où il y a une précarité de

l'emploi à Rodrigues, la pêche a été une alternative facile, *at hand*, prenable. Donc, beaucoup de gens se sont tournés vers la pêche dans le lagon, et surtout, à un moment donné, M. le président, c'était un *political benefit* de l'ancien régime de donner des cartes de pêcheur à gauche et à droite à des pêcheurs et pseudo pêcheurs. Ce qui fait qu'aujourd'hui, c'est nous qui sommes assis sur une bombe à retardement. On a distribué à tort et à travers ; le mal a été fait ; il fallait gagner les élections et on n'a pas pensé aux conséquences. Aujourd'hui, qu'est-ce qu'on a récolté ? Le lagon de Rodrigues, M. le président, est surexploité à un tel point que les pêcheurs maintenant ne vivent plus de leur métier. C'est pourquoi nous, à l'assemblée régionale, nous avons pris la décision, M. le président, de réduire la pression sur le lagon Rodriguais. Mais c'est un peu là - l'honorable Roussety a son style que je respecte - qu'on a eu pas mal d'échanges de correspondances, de courriers et de prises de bec aussi, mais la réalité est là. Si on ne réduit pas la pression sur le lagon Rodriguais, c'est fini, les petits poissons qu'on a à Rodrigues, les ourites secs, etc.; dans cinq ou dix ans, ce sera terminé. C'est pourquoi, M. le président, au niveau de l'assemblée régionale, nous ne sommes pas restés les bras croisés. Mis à part qu'on a proposé cette mesure pour le *retirement* des pêcheurs pour qu'ils quittent le lagon, nous avons aussi engagé dans les projets en créant des *marine parks* à Rodrigues. Par exemple, nous avons créé un *marine park* à Port Sud-Est, à Rivière Banane et d'autres sont en train d'être finalisés à Anse-aux-Anglais et à Grand Bassin. C'est dans le souci, M. le président, que nous croyons que si ces *marine parks* où les pêcheurs eux-mêmes sont partie prenantes du projet, ils respectent ces *marine parks*, c'est une façon comme si de redonner vie au lagon de Rodrigues. C'est la raison pour laquelle nous avons mis en place un *marine Reserve Unit* justement pour veiller au bon fonctionnement de ces unités à Rodrigues.

M. le président, dans le budget national, j'ai vu, au paragraphe 89, que « *Rs28 m. will be provided to finance appropriate fibre glass boats for off-lagoon fishing for some 35 fishers* ». Ma question, M. le président, est : étant donné que nous avons 2000 pêcheurs professionnels à Rodrigues et 2000 à Maurice, comment cela va être réparti ? Est-ce que ces 35 pêcheurs sont uniquement des pêcheurs in *mainland* Mauritius parce que ce n'est pas préciser ou on va prendre en considération aussi des pêcheurs venant de Rodrigues parce que je crois quand on a des difficultés pour gagner sa vie, quand on parle de la République, c'est le *mainland* Mauritius et, en même temps, Rodrigues. Et là j'aurais aimé savoir qu'est-ce qui va se passer.

M. le président, il y a un autre point que je voudrais aborder, c'est l'information technologie et la télécommunication. Bien des questions ont été

posées dans cette Chambre, surtout quand on a eu le passage, le raccordement avec le câble SAFE. Nous avons posé des questions pour savoir pourquoi Rodrigues n'a pas été raccordée avec le câble SAFE. Cela aurait été une bonne chose pour nos jeunes étudiants qui ont passé la S.C. et la H.S.C. de travailler, par exemple, dans des centres d'appels au même titre qu'à Maurice. Ils sont tous bilingues. On aurait pu créer des centres d'appels à Rodrigues afin d'éviter qu'ils viennent travailler à Maurice où ils sont quelquefois exploités. Je ne crois pas que cela fait plaisir à un Rodriguais de quitter sa famille, sa maison et son pays pour venir vivre dans un taudis à Maurice ! Malheureusement, Rodrigues n'a pas été raccordée avec le câble SAFE, mais nous espérons qu'elle le sera avec le câble SEGANET. Dans son discours sur le budget, l'honorable ministre des finances dit ceci -

'We are looking to further significant cost reduction of about 50% by 2011 when a second under water fibre optic cable will be operational. This cable is being built as an open system by regional private investors. Government will support this initiative through the State Investment Corporation.'

J'espère que pour cette fois-ci Rodrigues ne sera pas oubliée. Si le gouvernement *will support this scheme through the SIC*, nous espérons qu'avec ce nouveau câble, la télécommunication démarrera à Rodrigues.

M. le président, j'aimerais parler sur un autre secteur qui me tient à cœur, c'est le secteur de l'agriculture. *I welcome that the scheme for growing onions has been extended to Rodrigues, same for the scheme for goat breeding, but concerning the scheme for potato, nothing has been said.* Il y a des planteurs de pommes de terre à Rodrigues et si c'est dit que ce *scheme* va être *extended to Rodrigues*, c'est tant mieux, parce que, M. le président, la crise alimentaire touche aussi Rodrigues. Nous savons que Rodrigues est une île à vocation agricole.

M. le président, pour venir au *capital projects*, dans les quelques paragraphes du budget, il est dit que R 22 millions seront mises à la disposition de Rodrigues *to upgrade road at Baie Topaze and Citron Donis*. Cela crée une confusion étant donné que les mêmes mesures ont été énoncées dans le discours du Chef Commissaire à l'assemblée régionale. Je voudrais savoir si c'est *over and above* ou si ce sont les mêmes. Au paragraphe 115, le même quantum de R 22 millions a été prononcé dans le discours du Chef Commissaire concernant les mêmes endroits. J'aurais aimé savoir ce qui se passe dans ce cas?

M. le président, j'aimerais aussi parler d'autres problèmes qui concernent Rodrigues, mais qui ne datent pas d'hier. Beaucoup de questions ont été posées

dans cette Chambre sur Rodrigues et il y a eu aussi beaucoup d'intentions pour Rodrigues dans cette Chambre. Est-ce que ce n'est pas surprenant, M. le président, que nous sommes en 2009 et qu'on est toujours en train de revendiquer les mêmes problèmes de 1982 ? Cela fait 27 ans ! Ce n'est pas par hasard que je prends pour exemple l'année 1982. Parce que c'était la première fois que les élus de Rodrigues ont siégé dans cette Chambre et on est toujours en train de parler des mêmes problèmes - le problème d'eau, le chômage, et, demain, l'honorable Nancy va sûrement parler du même problème d'exode vers Maurice. Ce sont les mêmes problèmes depuis 27 ans ! Qu'est-ce qui se passe, M. le président ? Est-ce qu'il y a un manque de volonté de la part des gouvernements pour donner les moyens nécessaires à Rodrigues pour son décollage économique ? Est-ce que les problèmes de Rodrigues, M. le président, ont été, depuis tout ce temps, traités à la surface ? Cela concerne y compris tous les gouvernements successifs, autrement on ne serait pas là en 2009 avec les mêmes problèmes de 1982 ! Si on avait donné les moyens depuis ce temps à Rodrigues, je ne serais pas là pour dire qu'on a les mêmes problèmes d'eau. Depuis mon enfance, on a le même problème d'eau et les mêmes problèmes de chômage à Rodrigues ! C'est inconcevable que nous ayons les mêmes problèmes après 27 ans, M. le président. J'ai un franc-parler. Cela fait le jeu des gouvernements qui sont au pouvoir à Maurice quand il n'y a pas l'unanimité à Rodrigues. Quand certains veulent tirer des profits politiques sur des problèmes qui devaient être *over and above politics*, à ce moment là, à Maurice, on dit qu'il n'y a pas d'unanimité, c'est tellement facile à trancher et c'est Rodrigues qui en fait les frais. M. le président, on n'aurait pas dû revenir avec les mêmes problèmes après 27 ans ! C'est pourquoi je fais un appel à Monsieur le ministre des finances. Il a parlé des projets historiques pour l'île Maurice. Des milliards ont été votés pour les infrastructures à Maurice. C'est formidable ! Mais qu'en est-il de Rodrigues ? Pour revenir à l'année 2000, dans son budget, l'honorable Bunwaree avait prévu R 90 millions pour les routes à Rodrigues. Et pourtant le pétrole et le fret n'étaient pas au prix qu'ils le sont en ce moment. Mais maintenant, en 2009, comme je l'ai dit la dernière fois, plus de deux tiers de nos routes ne sont pas encore asphaltées à Rodrigues. On n'a pas donné les moyens nécessaires.

M. le président, on dit qu'il faut décoller à Rodrigues économiquement. Mais qu'en est-il de notre aéroport, le port et le problème d'eau ? *Year in, year out*, c'est pareil, M. le président ! C'est là le problème ! Des études ont été faites. La somme de R 1.3 milliard a été prévue pour notre aéroport et on n'entend rien ! C'est comme si Rodrigues était devenue un laboratoire par excellence. Il n'y a eu que des études sans jamais des résultats ! M. le président, si on veut vraiment aider Rodrigues, il ne faut pas donner des traitements palliatifs. Il faut traiter notre problème en profondeur. Tout ce qu'on veut à Rodrigues, c'est l'essentiel. Les

Rodriguais sont connus comme des *hard workers*, des gens qui ne sont pas exigeants. Mais il faut nous donner les moyens. C'est pourquoi je fais un appel au ministre. Il est vrai qu'il y a eu beaucoup de correspondances entre Maurice et Rodrigues. Je réitère l'appel que j'ai fait la dernière fois au ministre de finances, c'est-à-dire de visiter Rodrigues, de voir de visu ce que nous faisons à Rodrigues. On peut bien blâmer le Chef Commissaire Roussety pour son style, mais il le fait avec ce qu'il y a, avec les moyens de bord. Qui doit-on blâmer si on n'a pas les moyens ? Je ne peux pas dire que je suis d'accord avec tout ce qu'il fait. Il est le président du parti et on travaille ensemble. Quand il y a des choses qui sont bonnes, je le dis et quand ce n'est pas bon, je le dis aussi. Mais si on ne nous donne pas les moyens nécessaires, il ne faut pas venir nous blâmer. On ne va pas venir me dire que je suis en train de faire de la démagogie comme mon ami va surement le faire demain ! L'argent a été mis dans les poches de X, Y, Z.

(Interruptions)

Il faut être réaliste ! Le problème de Rodrigues demeure peut-être parce que les Rodriguais ne sont pas exigeants. On ne demande pas assez et puisqu'on ne demande pas assez, on n'est pas entendu. Mais, M. le président, il ne faut pas prendre la gentillesse pour une faiblesse en 2009 ! Je ne suis pas d'accord. La gentillesse n'est pas une faiblesse ! Ce n'est pas parce qu'on ne demande pas assez qu'on n'est pas entendu ! Comment expliquer alors, qu'en 2009, après 27 ans, on a toujours les mêmes problèmes à Rodrigues ? Les problèmes de base sont restés les mêmes. On nous fait rêver, on nous fait miroiter avec des intentions et pour moi *actions speak louder than words*.

Je dis que si vraiment on aime Rodrigues et si vraiment on veut que Rodrigues se développe, donnez les moyens aux Rodriguais et les Rodriguais vont faire des merveilles.

Merci, M. le président.

(7.12 p.m.)

Mr S. Mootia (Third Member for Vieux Grand Port & Rose Belle): Mr Speaker, Sir, I rise in this august Assembly to bring my humble contribution in the Budget Speech presented by the hon. Vice-Prime Minister and Minister of Finance.

Mr Speaker, Sir, this year, the hon. Minister of Finance had the difficult task of presenting a budget in the context of the worst recession since the 1930s and the need to save jobs and protect people. What has started as a crisis in one segment of the US mortgage market turned into a financial crisis and could possibly erupt into a social crisis if not handled properly. This seems to be a difficult task, but not impossible as demonstrated by the hon. Vice-Prime Minister & Minister of Finance in his Budget Speech.

Mr Speaker, Sir, the Minister is absolutely right when he mentions that the economy withstood the onslaught of the six external shocks thanks to the reform he undertook in the last three budgets. Had it not been for these bold measures, the economic situation would have been disastrous leaving thousands of unemployed. This budget, with all its reforms, has set a new economic and financial framework that serves the welfare of the various sectors of the economy.

It is in this context of the economic crisis that this year's budget focuses on the priority of priorities of saving jobs and protecting people.

In the face of the worst economic downturn in decades, the Minister has a lot of options and some very easy as well. He can abolish free transport to schoolchildren and the elderly. He can also abolish free education. He can also be tempted to increase the VAT by 15% just as the hon. gentlemen who are sitting on the other side of the House did when they were in power or increased the corporate tax. Though these measures have the merit of increasing the national revenue, it can also stifle the economy and limit the *marge de manoeuvre* of the enterprises resulting in massive loss of jobs. Instead, the Minister acted responsibly and had the courage and determination to propose bold measures that could stimulate the economy and create more jobs while preserving the Welfare State established by the Labour Government, especially when Sir Seewoosagur Ramgoolam, *le Père de la nation*, was at the helm of this country. To save jobs, Mr Speaker, Sir, it is essential to save the enterprises just like saving the goose that lays golden eggs.

To this end, the Minister elaborated a series of reforms that build on the Additional Stimulus Package and extend its scope. The first bold measure is the creation of the Savings Jobs and Recovery Fund to support businesses in all the

various sections of the economy. The total resources committed to this Fund is Rs3 billion. A provision of Rs500 m. is made to SIC to purchase assets from sick companies to ease their liquidity; it is the first time that Rs 4 billion are mobilised to save jobs, Mr Speaker, Sir. It is also the first time that a budget announces the largest public sector infrastructure projects. The airport project, the harbour bridge project and all the projects undertaken by the Road Development Company will help to save and create jobs while investing in modern infrastructure.

The financial crisis has demonstrated just how tightly interconnected globalisation has made the world and its systems. A catastrophic meltdown in one corner of the globe can within months affect the other corner. Everybody is vulnerable and we cannot always be resilient.

Mr Speaker, Sir, the present economic crisis is also an opportunity for all the economic players to review our policies and strategies to be more resilient in the wake of global crisis. Some of us still remember cyclones Alix and Carol which devastated the economy in the 1960s. It is only after the passage of these cyclones that our fellow Mauritians realised and started constructing houses in concrete, Mr Speaker, Sir.

We can easily understand the frustrations of the trade union leaders relating to salary compensation when a fair chunk of the working force will, for the first time in many years, not benefit from any compensation for the rise in the cost of living. The Minister of Finance had no choice than not to place any additional burden on vulnerable enterprises when the State is intervening to the tune of billions of rupees to enable them to save jobs. Acting otherwise would have been a contradiction. Here, it would be fitting to remind the trade union leaders of the public sector that only a year ago public employees benefited from a generous across the board salary increase on term of favourably than recommended by the Pay Research Bureau which cost the State Rs5.2 billion. These were the days of early harvest and bumper crops. Today, the scenery has drastically changed when negative factors from beyond our shores, and which no one could predict, started to hit us. If some sacrifice is required from some workers foregoing a sum of a few hundred rupees from those drawing a monthly pay of Rs12,000 is not a tragedy. Massive lay-offs will certainly be in terms of sacrifice. Ministers will show the way by foregoing a monthly pay cut of Rs10,000 over the next 18 months. *L'exemple vient d'en haut.*

Mr Speaker, Sir, the special levy is indeed a bold measure in that direction, just as the new concept of corporate social responsibility. These are reminders of

the determination of the present Government to require an additional effort on the part of those who can afford it in the difficult times.

Mr Speaker, Sir, it is inadmissible that the Members of the Opposition want the population to believe that when they were in power, life was easy and rosy and yet they seem to forget the precarious legacy they left in July 2005. The country was on the verge of bankruptcy.

Mr Speaker, Sir, we must, above all, congratulate the Vice-Prime Minister, Minister of Finance & Economic Empowerment for having resisted to demagogic temptation by coming forward with measures that the country needed in difficult times. Measures that will ensure that we remain on track while addressing such vital issues of unemployment, poverty alleviation, business facilitation, modern mega infrastructure to mention a few, Mr Speaker, Sir.

With these few remarks, I have only wished to add my humble voice. I made a chorus of criticisms and recriminations to remind that the Minister of Finance & Economic Empowerment, in spite of numerous constraints, delivered the package of measures adapted to the needs of unprecedented international crisis, the most important being the resolve to protect the jobs, hopefully, averting a social tragedy.

Mr Speaker, Sir, the Vice-Prime Minister and Minister of Finance acted mainly to prevent the country from experiencing situations other countries are already in. I mean massive lay-off, galloping inflation and social unrest, to mention a few. While a series of measures announced by the Minister of Finance are meant to address factors that seem to come out of nowhere, yet the foundations to ensure sustained social development and taking care of alleviation of poverty and empowerment are still high on the agenda of the present Government. Other measures to allow the country to prepare for the *relance* when conditions return to normal, hopefully, sooner rather than later confirm. Government's stand to face the challenges so as to keep the country on the track of development in line with reforms started four years back.

Mr Speaker, Sir, the Minister of Finance can stand proudly by the achievements of the past years that have enabled the country to be fairly resilient in the face of initial blast of the planetary economic crisis. We must remain confident; the new measures announced will stir us clear of likely advanced effect to come while we wait for the economic sky to clear. We must, as patriots, accept

some temporary sacrifice and keep our fingers crossed, and pray that we may see better days ahead.

Mr Speaker, Sir, hon. Bhagwan just spoke before me, and asked who is the PPS of Constituency No. 20 where he has been elected.

(Interruptions)

The former PPS in Constituency No. 20 was hon. Richard Duval. When the Prime Minister gave new responsibility to some Members, I became responsible for that constituency. It seems that he was very eager about the land drainage system at that time.

(Interruptions)

No! I am there since a few months. I heard him clearly. He spoke about the land drainage system. One thing I can say to the House is that, when he was the Minister of National Development Unit in 2005, the budget which was allocated to the National Development Unit was Rs400 m. During financial year 2004-2005, though a sum of Rs400 m. was earmarked, he spent Rs953 m. When we took power in 2005, there was no money left to implement projects concerning the National Development Unit. So, instead of Rs400 m., Rs953 m...

(Interruptions)

Mr Speaker: Order!

Mr Moutia: There was overspending. You can imagine, from Rs400 m. to Rs953 m. One thing I have to say in this House - he did a lot of good works, I agree - is that many projects that were undertaken when he was Minister were prestigious ones. He is talking about drain, because there is the problem of flooding actually throughout the island. I heard him clearly speak about drains. In those days, he undertook many prestigious projects of above Rs30 m. Just to give you an idea, there is a garden actually at Petite Rivière, and that garden cost the Government and NDU at that time more than Rs30 m.

(Interruptions)

We do a lot of drain works at the National Development Unit. So, you can imagine, he could have done a lot at that time. I do not want to dwell on what he said, Mr Speaker, Sir.

Mr Speaker, Sir, I want to say a few words on the National Development Unit. When we took power, hon. Anil Bachoo was responsible for the National Development Unit and he did his best to reorganise it at that time. I must congratulate the present Minister of NDU, my friend, hon. Lormus Bundhoo, who has finally been able to reorganise the National Development Unit. Actually, the National Development Unit has been able to recruit many engineers and other staff so that we can undertake many projects in-house. Up to now, we cannot do any projects in-house. Actually, we have to depend on the consultants in order to do the projects, but, with the new Minister, we have recruited engineers and other staff so as to carry out many projects in-house and move fast on these projects.

Mr Speaker, Sir, concerning my Constituency, No. 11, Vieux Grand Port/Rose Belle, it has witnessed considerable development from Nouvelle France up to Rose Belle, Cluny, St. Hilaire, St. Hubert, New Grove up to the coastal villages, Vieux Grand Port up to Quatre Soeurs and Deux Frères. Indeed, it is a very big constituency. I am proud to be one of the elected Members there. The elected Members of my constituency, my friends, hon. Dr. Boolell and hon. Dr. Jeetah join their efforts, and we pull our resources together with various Ministries and organisations to bring about developments in the region. For example, resources have been used from the following to develop our region, namely Trust Fund for the Social Integration of Vulnerable Groups. I would like to underline one thing. When the Leader of the Opposition spoke on the Budget Speech, he mentioned *tôle* and *du bois*, the social housing units that the Government actually gives through the Trust Fund to those people. Let me remind the House that many people come to the CAB offices to meet MPs and Ministers. Do you know in what conditions those people live and in what sort of houses they live in? At night, they can count stars, because the corrugated iron sheets are leaking. They have to use plastic sheets to cover themselves. These people come to meet us and we have to thank the hon. Vice-Prime Minister and Minister of Finance for making the funds available so as to help those people. It is not because tourists come to Mauritius that we have to forget these people and not give them the corrugated iron sheets and other materials so as to build such houses.

Mr Speaker, Sir, in our constituency, from 2005 up to now, we have spent more than Rs15 m. We have given to people in our constituency corrugated iron sheets, woods and other materials so as to have these building units. I was saying that we have the Ministry of Environment & National Development Unit, Ministry of Local Government, Beach Authority, Grand Port/Savanne District Council and the Road Development Authority. In spite of the economic recession, there has been significant investment in the constituency with regard to infrastructural

projects. Our investment strategy was guided by those concerned to provide welfare to people, to increase the standard of living of people and to create an all-inclusive society. Mr Speaker, Sir, since 2005, I have been talking about the market fair of Rose-Belle and I have even said this last time when I intervened on the Budget Speech, we had three laying of foundation stone ceremonies in the village of Rose-Belle - three times; hon. Jugnauth also was there, he was the Vice-Prime Minister at that time and he also attended one of the ceremonies and when we were in Government at one time, we also did it. So, three times we have laid the foundation stone ceremonies for Rose-Belle market fair and, Mr Speaker, Sir, the Rose-Belle market fair which is held twice weekly serves the inhabitants of Constituency Nos. 11, 12 and 13.

It is the main market fair in the south, but the condition in which it operates is in a very deplorable state. Mr Speaker, Sir, I am happy that this Government took the firm decision to give a new and a modern market to the inhabitants of the south costing around Rs100 m. with various facilities and land obtained from the Rose-Belle Sugar Estate. And the fourth time, the laying of foundation stone was done by the hon. Minister of Finance and it was the good one. The new market which is located very close to Nehru Hospital comprises 1036 stalls and will provide space for vegetables, fruit sellers market, meat section and a food corner among others. Work is in progress and everything is going on as planned; it will be inaugurated in a few months. So, on behalf of the inhabitants of my Constituency, I thank the hon. Minister of Finance, the Government and the Prime Minister for providing almost Rs100 m. from the LIF Fund to finance this project.

Mr Speaker, Sir, I must also place on record my appreciation and thanks to the hon. Prime Minister for having kept his word to relocate the inhabitants of Mare Chicose, who were left to their plight near the dumping ground. Mr Speaker, Sir, you have been there; you know how it stinks in the village there. I must also thank the hon. Minister of Finance for providing again around Rs100 m. to relocate the inhabitants of Rose-Belle, more particularly at Balisson, in a modern environment with all the modern infrastructural facilities, I mean, roads, drains, playground for children, social hall and other amenities. Infrastructural development on the site at Balisson is near completion; these people will be re-settled soon and will be generously compensated. This action will be a landmark in the history of Mauritius, an action confirming the commitment of this Government, especially the hon. Prime Minister, towards the welfare of his people. This is what we call 'Putting People First', Mr Speaker, Sir. I thank the hon. Minister of Local Government as well who is not here, for his entire support in this endeavour.

Mr Speaker, Sir, again, I must place on record my appreciation to the Minister of Finance for providing around Rs50 m. from the LIF Fund for the construction of a multi-complex in the village of Rivière des Créoles. Since a long time, the Village Council of Rivière des Créoles requested for a new and modern village hall to cater for the increasing needs of the population and I am glad that the dream is going to be realised soon. The present village hall is going to be pulled down to construct a new ground plus two-storey building. I will fail in my duty if I do not congratulate the Minister of Local Government, again, for the preparation of the plans for the project and I understand, Mr Speaker Sir, that shortly tender will be called.

Mr Speaker, Sir, with the climatic change, a major problem throughout the island is that of flooding, various factors explain the frequent flooding in various parts of the country. We have to review our land drainage system after the tragic March 2008 flooding. Prompt actions were initiated by the emergency rehabilitation programme. Here, I must congratulate the hon. Prime Minister for his concern for allocating Rs1.5 billion to curtail same. Under this programme, the flooding problem has been tackled on various fronts in my constituency, Vieux Grand Port/Rose Belle.

Firstly, there has been the dredging of rivulets and natural drains to the tune of Rs4 m. in the villages of Nouvelle France, Cluny and Grand Sable. Secondly, there has been the upgrading of existing drains. Thirdly, the NDU has earmarked some Rs33 m. for the construction of new drains in different villages most of which have been completed. I wish to point out here that the figures speak for themselves as regards Government to tackle the problem of flooding throughout the island. In addition to the above, prior to the torrential rain of last year, some Rs42 m. were spent in the constituency for new drains on the land drainage programme at Gros Billot, Nouvelle France, St Hubert, St Hilaire, Cluny, Quatre Soeurs, Grand Port and other villages. Mr Speaker, Sir, since 2005 up to date, I can say proudly that more than Rs200 m. have been spent in the constituency of Vieux Grand Port/Rose Belle on road, drains and other projects. I have the figures with me here, but I don't want to take much of the time, and this does not include the projects that I have just mentioned, that is, Rs100 m. at the Rose-Belle market fair and others.

(Interruptions)

However, there is still much to be done in certain localities where the problem is acute because of land topography. Settlements found on sloping lands at the foot of

mountains are exposed to flooding. I refer particularly here to all the villages extending along the eastern coast of Rivière des Créoles, from Rivière des Créoles to Grand River South East where the problem is more pronounced. The villagers, Mr Speaker, Sir, are locked between the sea and the Grand Port mountain ranges. During heavy rainfall, the rain rushes down the mountain slopes to the settlements because of the absence of proper drain. The major problems caused by the flood are: regular flooding of premises, flooding of crops, landslides, soil erosion and damage to buildings. Vehicular traffic flow is often interrupted, as roads are flooded with mud, damage to public infrastructure like drains, retaining walls, etc.

Mr Speaker, Sir, I make a special appeal to the Government, more particularly, to the Minister of Finance to work out a Master Plan for the villages found along this part of the island. One of the possible and viable solutions is to construct a cut-off drain in order to catch the water from the mountain slopes before they reach the settlements and plantation, and finally divert the water to the sea. The NDU has constructed cut-off drains at Quatre Soeurs and Cluny villages and the results have been convincing, Mr Speaker, Sir. Here, I would like to make a pressing appeal to the hon. Minister of Finance to allocate significant importance and funds to these projects.

Mr Speaker, Sir, I would also impress upon my good friend, hon. Bachoo, Minister of Public Infrastructure – unfortunately, he is not here – for the upgrading of the existing two bridges at Vieux Grand Port for, during heavy rains, traffic has to be stopped for hours as these two bridges are flooded with water and mud. People have to wait for hours in order to cross it. You can imagine, Mr Speaker, Sir, if there is an emergency to go to the hospital; we can have tragic results. More so, we have tourists who reside on the eastern coast, since we have many hotels there. They use this road to go to SSR airport. These two bridges need to be upgraded so as to prevent this problem.

Mr Speaker, Sir, I won't be long. At this juncture, I would like to appeal to the hon. Minister of Finance, again, to provide funds for the construction of a multi complex at St. Hilaire/St. Hubert, just like the one we have at *Rivière des Créoles*. I am talking about it because since the last three years, we have been working on these projects, but, unfortunately, this year the hon. Minister of Finance has put the project in abeyance as it is going to incur additional recurrent expenses. But the activities carried out by the village hall there are being held in rented buildings. We spend a lot of money on the rented buildings. So, I make an appeal to the Minister of Finance to give us additional funds, so as to build this multi complex building in the village of St. Hilaire/St. Hubert.

Mr Speaker, Sir, another project which is very dear to us, that is, to my hon. friends, Dr. Boolell and Dr. Jeetah is the road at Lion Mountain. We know the hardship of the people residing there. Mr Speaker, Sir, can you imagine people residing at the foot of the Lion mountain climbing more than 200 steps everyday to go up and down the streets? Can you imagine the hardship caused to them?

(Interruptions)

Yes, they are in good shape. But you can imagine when someone falls ill, it is very difficult because they live on the top of the mountain and they have to climb the steps to and fro. We saw an old fisherman named Mr Augustin Nobin, 76 years old, with only one limb; he has to carry the motor of his boat up and down everyday because he has to go to fish at sea. This is a project which is very dear to us, we are working on that and the consultants at the National Development Unit are doing their best so as to go ahead with it.

To conclude, Mr Speaker, Sir, allow me to congratulate, again, the hon. Vice-Prime Minister, Minister of Finance & Economic Empowerment for his realistic and coherent budget, the Prime Minister for his leadership, and all the Members of Government for their solidarity.

This budget has made provision for buildings, airports, bridges, road network, and has also made provision for saving jobs and protecting people. This Government, whose Prime Minister has a vision of a modern Mauritius, which can address issues relating to the welfare of its people, will no doubt, in the coming election, return to power with a massive mandate.

Thank you, Mr Speaker, Sir.

Dr. A. Kasenally: Sir, I move that the debate be now adjourned.

Dr. Boolell rose and seconded.

Question put and agreed to.

Debate adjourned accordingly.

ADJOURNMENT

The Vice-Prime Minister, Minister of Finance & Economic Empowerment (Dr. R. Sithanen): Sir, I beg to move that this Assembly do now adjourn to Thursday 28 May 2009 at 11.30 a.m.

Dr. Boolell rose and seconded.

Question put and agreed to.

Mr Speaker: The House stands adjourned.

At 7.46 p.m. the Assembly was, on its rising, adjourned to Thursday 28 May, 2009 at 11.30 a.m.