



REPUBLIC OF MAURITIUS

FIFTH NATIONAL ASSEMBLY

**PARLIAMENTARY
DEBATES**

(HANSARD)

**SECOND SESSION
WEDNESDAY 14 NOVEMBER 2012**

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MAURITIUS

Fifth National Assembly

SECOND SESSION

Debate No. 21 of 2012

Sitting of 14 November 2012

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 –**
- (a) The Restricted Areas (Port Area) (Amendment) Order 2012 (Government Notice No. 193 of 2012).
- (b) The Passports (Amendment) Regulations 2012 (Government Notice No. 194 of 2012).
- B. Ministry of Energy and Public Utilities –**
- The Waste Water (Miscellaneous Waste Water Services) (Fees) Regulations 2012 (Government Notice No. 186 of 2012).
- C. Ministry of Finance and Economic Development –**
- (a) The Annual Report and Audited Accounts of the Lottery Committee for the year ended 31 December 2011 (In Original).
- (b) The Annual Report and Audited Accounts of the Financial Reporting Council for the year ended 31 December 2011.
- D. Ministry of Public Infrastructure, National Development Unit, Land Transport and Shipping –**
- The Annual Report and Corporate Governance Report of the Bus Industry Employees Welfare Fund for year 2011 (In Original)
- E. Ministry of Social Security, National Solidarity and Reforms Institutions –**
- The Annual Report of the Probation and Aftercare Service 2011.
- F. Ministry of Arts and Culture –**
- The Consolidated Annual Reports for the Financial Years July 2003 to June 2009.
- G. Ministry of Tourism and Leisure –**
- The Report of the Director of Audit on the Financial Statements of the Tourism Fund for the years ended 30 June 2007, 30 June 2008 and 31 December 2010 (In Original).
- H. Ministry of Social Integration and Economic Empowerment –**
- The Annual Report 2007-2008 of the National Economic and Social Council.

ORAL ANSWER TO QUESTION
COMAPRIM/ZOObAIR & OSMAN PROPERTIES LTD
- ALLEGED PROPERTY SCAM

The Leader of the Opposition (Mr P. Bérenger) (*by Private Notice*) asked the Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister for Rodrigues whether, in regard to the alleged property scam by Comaprim/Zoobair & Osman Properties Ltd. involving the sale *off-plan* of luxury villas on *Pas Géométriques* and of the Centrepoint Complex, he will, in each case, state if -

- (a) inquiries have been carried out by the Police, the Independent Commission Against Corruption, the Bank of Mauritius and the Mauritius Revenue Authority respectively, indicating if any Minister, notary, lawyer, officers of the Board of Investment and of the Municipal Council of Quatre Bornes were involved, and
- (b) authority for the transfer of the *Pas Géométriques* leases was obtained.

The Prime Minister: Mr Speaker, Sir, as a strategic move to develop the economy, Government instituted a scheme to allow a non-citizen who is registered as an investor with the Board of Investment to purchase an immovable property, a right to immovable property or part of a building for business purposes.

The Business Facilitation (Miscellaneous Provisions) Act of 2006 was passed and amended the Non-citizens (Property Restriction) Act, thereby enabling non-citizens to purchase for business purposes freehold land or to lease freehold/State Land, including *Pas Géométriques* for a period exceeding 20 years.

Applications for purchase of a property or lease of lands for business purposes are submitted to the BOI, which is responsible to process and to issue such authorisation. Since 2006 up to 29 October 2012, 246 authorisations were approved out of 300 applications received.

In October 2008, the BOI has received numerous representations that parallel schemes are being used to circumvent the Business Facilitation (Miscellaneous Provisions) Act 2006 and the Non-citizens (Property Restriction) Act to enable non-citizens to acquire or hold residential property outside the Integrated Resorts Scheme, the Real Estate Scheme and Investor Scheme.

Mr Speaker, Sir, as I indicated in my reply to Parliamentary Question B/559 on 23 October last, in October 2008 following receipt of numerous representations, the Board of Investment carried out an investigation jointly with the Financial Services Commission on the possible

mechanisms allegedly used by non-citizens to circumvent the provisions of the Non-citizens (Property Restriction) Act using parallel schemes. The Board of Investment reported on 17 April 2009 that necessary measures have to be taken to control parallel schemes with a view to ensuring that they do not in any way go against the law of the land, and impact adversely on genuine schemes and State revenue. It had also submitted a list of five companies which were suspected of having recourse to such subterfuges. They are -

- (i) Le Cerisier Ltd at Mon Choisy;
- (ii) Salt Rock Ltd at Pointe aux Piments ;
- (iii) Le Jardin du Cap at Bain Bœuf;
- (iv) White Oaks at Pointe aux Piments, and
- (v) Oasis at Pereybère.

Consequently, the Non-citizens (Property Restriction) Act and the Registration Duty Act were amended through the Finance (Miscellaneous Provisions) Act which came into force on 30 July 2009 to prevent non-citizens or Mauritian individuals/companies from taking advantage of the loopholes.

As I also indicated in that reply, immediately pending the coming into force of the Act, as amended, a High Powered Committee chaired by the former Chairperson of the Commission for the Democratisation of the Economy, and comprising representatives from my Office, the Ministry of Finance and Economic Development, the Board of Investment, the Ministry of Housing and Lands, the Attorney General's Office and the Financial Services Commission was set up on 29 July 2009 to look into the cases of property development both on freehold and leasehold beachfront land and sales thereof to non-citizens through mechanisms that might not be in conformity with the existing legislation and that might also have allowed promoters of such development to bypass certain fiscal obligations.

The Committee indeed identified several cases where there might have been an offence under existing legislation. On 09 November 2009, the Chairperson of the Committee made a declaration at the Central CID to the effect that a number of foreign nationals have acquired properties in Mauritius through legal subterfuges, thereby circumventing the Non-Citizens (Property Restriction) Act with the connivance of local promoters, Notaries and Land Surveyors.

Mr Speaker, Sir, I did also mention in my reply that besides the Police, the Financial Intelligence Unit, the Financial Services Commission, the Independent Commission Against

Corruption and the Mauritius Revenue Authority are also investigating all various aspects of these cases, including alleged money laundering and any financial institution that might have been involved in aiding and abetting such transactions.

Mr Speaker, Sir, with regard to Comaprim Co Ltée, I am informed that it was incorporated on 07 April 2006 with the following shareholders -

1. Mr Roupesh Hematlal with 25 % shares;
2. Mr Sanjeev Kumar Hematlal with 25 % shares, and
3. Zoobair and Osman Properties Ltd with 50 % shares.

On 01 September 2009, Comaprim Co Ltée acquired three portions of land of a total extent of 4A 82p (20,345 m²) from HV Properties Ltd (the shareholders of which are Messrs Roupesh Hematlal and Sanjeev Kumar Hematlal) as per title deed registered and transcribed on VOL 7472, No. 54, for the sum of Rs80 m.

On 07 August 2012, Al Qatami Investments (Mauritius) Ltd, a non-citizen, applied for an authorisation to acquire 4A 82p of land with building improvements from Comaprim Co Ltée with the objective to continue the development of the shopping complex with other related commercial amenities and facilities for a consideration of USD 17 million under the Non-Citizens (Property Restriction) Act.

The foreign investors planned to construct 29,387 m² of modern shopping centre and a residential complex, which will comprise of more than 400 car park facilities, 3-storeyed commercial space, a cinema complex with an IMAX theatre, and 17 apartments and a penthouse. Forecasted investment figures amount to Rs1,460 m. (Rs548 m. for the acquisition of the property, and Rs911 m. for the development and completion of the project).

Approval was conveyed by the BOI on 14 September 2012 for Al Qatami Investments (Mauritius) Ltd to acquire land and in building improvements situated at Trianon on condition that the company should respect the reservation agreements with prospective tenants where deposits have been accepted. A validity period of eighteen months is applicable to the authorisation.

Mr Speaker, Sir, in regard to part (a) of the question, the inquiries have been proceeding, and the position to date is as follows -

- I am informed by the Commissioner of Police that Police started enquiry into a case of “conspiracy to defraud” against Mr Mohammad Zoobair Dawood Timol and Mr

Ousman Dawood Timol on 29 October 2010. Police enquiry is ongoing. As it is of a very complex nature, involving various sections of the law such as (i) contract law (ii) company law (iii) trust law, as well as (iv) criminal law, various stakeholders and organisations have been approached to assist the investigation, especially the Ministry of Housing and Lands, the Registrar of Companies, and public notaries. It would not be proper for me, Mr Speaker, Sir, to reveal the names of persons concerned.

- As regards ICAC, it started investigation on 14 October 2011. The investigation did not disclose possible offences of corruption or money laundering. The possible offence that could be established could be embezzlement or swindling, which does not fall under the remit of ICAC, and the matter was referred to the Police.
- As regards the Mauritius Revenue Authority, its enquiry has revealed that the Timol brothers, Messrs Zoobair, Ziyad and Osman Timol, together with their father Mr Dawood Timol, have been involved in various immovable property projects namely -
 - Le Baron
 - Ocean Drive
 - Waterside
 - The Bay
 - Le Jardin du Cap
 - Centrepoint

For the purpose of the projects, various companies have been incorporated, namely Z & O Properties Ltd, the Bay Ltd, ZT Investments Ltd, and Comaprim Co Ltée. Investigations initially started in the case of Z & O Properties Ltd. This investigation led to the investigation in other related companies.

Z & O Property Ltd was incorporated on 14 June 2004, and registered for VAT on 09 November 2006. Income tax assessments claiming additional tax of Rs3,930,177 were raised for the years of assessment 2007/08 and 2008/09. VAT assessment for payment of VAT to the tune of Rs1,513,835 has also been issued. Investigation covering the years of assessments 2009/10 onwards is still in progress. Investigations into the tax affairs of the other companies are also ongoing.

Mr Speaker, Sir, in regard to part (b) of the question, I am informed by the Ministry of Housing and Lands that there are two plots involved as follows -

- (i) two adjoining sites of an aggregate extent of approximately 1 *Arpent* 94 perches at *Pas Géométriques* the Vale, and
- (ii) a site of an extent of 1 *Arpent* 25 perches at Beau Manguier, Grand Baie.

In respect of the first plot, the sites were originally held by Mr Patrick Giblot Ducray and Mrs Jean Pierre Merle respectively, over an extent of 1 *Arpent* 36 perches and 56 perches as *campement* site leases. In September 2006, the two lessees applied for an industrial lease over the two sites to be developed as a single bungalow complex in the name of “Bay Ltd”. Approval was granted in January 2007 to cancel the two *campement* site leases, and to draw a new industrial lease in the name of “Bay Ltd” for a 20-year period ending 30 June 2026.

I am further informed that “Bay Ltd” was incorporated in August 2006, having as sole shareholder the Bay (Holding) Ltd, which in turn had as shareholders “Zoobair and Osman Properties Ltd”. The latter company, incorporated in June 2004, had as shareholders the following -

- (i) Mr Mohammed Zoobair Dawood Timol;
- (ii) Mr Osman Dawood Timol, and
- (iii) Mr Dawood Mohammed Timol

On 09 July 2008, Mr Zoobair Timol, as Manager of “Bay Ltd”, applied for permission to let the bungalow complex, in line with the provisions of the lease agreement. Approval was granted to allow the lessee, that is, “Bay Ltd” to let the bungalows. No authorisation was granted for any sublease.

I am informed that on 30 October 2009 there was a shareholding restructure, whereby Mr Ziyad Timol was included as a shareholder in “Bay Ltd”. The Ministry of Housing and Lands was not informed of this change.

In regard to the second plot of land at Grand Baie, the *campement* site lease was originally held by the Roman Catholic Diocese of Port Louis. Approval was obtained for the lease to be transferred in the name of Kensions Hotel Ltd in February 2001. A 20-year industrial lease for hotel development was thereafter drawn up in October 2004.

In March 2008, there was a change in shareholding of Kensions Hotel Ltd, whereby ZT Investments Ltd became the sole shareholder. ZT Investments Ltd, incorporated in June 2006,

had as shareholders Mr Mohammed Zoobair Dawood Timol, Mr Osman Dawood Timol, and Mr Ziyad Timol.

Approval was granted in March 2009 for change in purpose from hotel development to apartment complex. A further approval was granted to allow subletting of the units in July 2009, in accordance with the provisions of the lease agreement.

As far as the Bank of Mauritius is concerned, as soon as it became aware of an article appearing on the website - <http://mauritiusproperty.com>, it conducted special examination under section 43 of the Banking Act of 2004 in respect of the parties therein.

The special examination, which involves three banks, was carried out from 27 August 2012.

The credit facilities granted by the banks to these groups were examined. It was found that in the case of the two banks, the credit facilities were performing. With regard to credit facilities in the third bank, the amount of facilities granted was non-performing, and the Bank of Mauritius requested that particular bank to increase its provisions in respect of these groups.

Mr Speaker, Sir, in view of the complexities of the alleged illegal transactions by various companies involved in the property development, the Police have set up a dedicated team, supported by Financial Analysts and Accountants conversant with audit trailing to assist them to get to the bottom of this whole matter.

I wish to reassure the House that Government shall not allow a few unscrupulous individuals and companies to tarnish the reputation of Mauritius as a sound and reliable investment destination. Any person against whom a case of improper professional conduct is established will no doubt be dealt with by the relevant professional bodies, according to law.

Mr Speaker, Sir, many times in the House, the Opposition has asked for Commissions of Enquiries. I have said it would not lead to anything, and then we would have to redo another case. There are two civil cases in front of the Court. Possibly, later on, one criminal case; we are not sure of that. But, given the complex nature of all these arrangements that seemed to have been made, I think this would be a fitting case for a Commission of Enquiry. Not only in the specific cases that I have mentioned, but also in all cases involving companies set up from 2000, and involving alleged land and property scam cases and irregular terms of these cases. I think, Mr Speaker, Sir, we should have a Commission of Enquiry in this case. This will settle the matter, and will bring everything to light. I should give them very broad terms of reference.

Mr Bérenger: Mr Speaker, Sir, I am a bit surprised that I did not hear the hon. Prime Minister make any reference to the arrest of the two Timol brothers on 19 October 2012. Can I ask the hon. Prime Minister whether he has enquired why - whereas statements to the Central CID were given since 2010, a report from a legal advice firm establishing swindling as far back as 2010, there were press articles as far back as 2010 - until 19 October 2012 nothing had happened? There had been no arrest and it's only a few days after I raised this issue in a press conference that the two Timol brothers were arrested.

The Prime Minister: I did not mention the arrests of the Timol brothers because I had said that in the previous PQ, Mr Speaker, Sir, but everybody knows. The problem is very complex, as I said, Mr Speaker, Sir. For example, ICAC started investigation on what could be done as far as ICAC is concerned; eventually, they found that it was not relevant according to law, to their investigation, that is why they pushed it on to the Police. So, it was very complex, Mr Speaker, Sir. The Police enquiry had started, but it took the time that it took for them to conclude that these two people had to be arrested.

Mr Bérenger: Is the hon. Prime Minister aware that the main witness - and a very courageous man - in all this mess died in South Africa in October last after having tried for two years since 2010 to get the Police to move and after having reported numerous threats to his life and to his family?

The Prime Minister: Yes. It is unfortunate that the person has passed away, Mr Speaker, Sir, but that is beyond our control. But, as I said, Mr Speaker, Sir, not because he had tried that the Police were not enquiring: they were enquiring, but it was very complex. It involved many, many stakeholders. That is why it took the time that it took.

Mr Bérenger: May I know from the hon. Prime Minister whether he is aware that Mr Zoobair Timol was arrested on 17 March 2011 for issuing three *chèques sans provision* worth Rs29 m.? That is, therefore, on 07 March 2011, he was on bail, - arrested in this case that we are talking about - arrested on 17 October. We know that normally somebody who is already on bail is not granted bail for another arrest and yet, that gentleman - if that is the word I should use - was granted; Police did not object to bail when he was arrested on 19 October.

The Prime Minister: Mr Speaker, Sir, whether to give bail or not, depends not on the Police, but the Police very often what they tell me is that even though they object, they get criticism from the judge or whoever or the Magistrate that this is not a fit and proper case for

objection to bail. As long as the person satisfies the criteria for bail, they usually give bail. That is why, probably, this happened.

Mr Bérenger: Mr Speaker, Sir, I heard the hon. Prime Minister make reference to the MRA and the problems the MRA is having with those companies. Is he aware that, in fact, those “gentlemen” owe more than Rs40 m. to the MRA and that they used fake VAT invoices to swindle people in that case and that was reported to the MRA? Can I know what action the MRA has taken today?

The Prime Minister: Mr Speaker, Sir, I did not mention that the MRA has started the investigation. When they had started the investigation - in fact, I think I mentioned the amounts that they have recollected, income tax assessments for Rs3,930,177 and then VAT assessment to the tune of Rs1,513,835 have been raised. That does not mean that they have stopped there. They are still doing the assessments for other years that are still ongoing, Mr Speaker, Sir.

Mr Bérenger: Is the hon. Prime Minister aware that in *L'Express du dimanche* of 14 October, Minister Cader Sayed-Hossen made statements defending all-out the Timol brothers and targeting me: “*Bérenger porte des œillères*” - that was on 14 October, defending all-out the Timol brothers and yet, five days later, on 19 October, the two gentlemen were arrested by the Police. Can I ask the hon. Prime Minister how is hon. Cader Sayed-Hossen still Minister?

The Prime Minister: Mr Speaker, Sir, I did ask him actually. He was referring to the different aspects of the case. He was not referring to that case in particular. That is what he was telling me.

Mr Bérenger: I am sure the hon. Prime Minister must be aware that there are plenty of allegations, of political interference, Ministers and others, in the Municipality of Quatre Bornes for all the developments and other permits to be obtained without the proper procedures being followed. In fact, the building permit was finally given without even a traffic impact assessment carried out. Can I know whether Police is enquiring at the level of the Municipality of Quatre Bornes?

The Prime Minister: Mr Speaker, Sir, before 1984 the *Code Civil* prevented transfer of State Land in any way, whether by lease or by whatever means of what they call by construction, etc.. This was not allowed. In 1984, State Land was excluded, probably for good reasons; I am not saying anything because the restriction applying to State Land was removed. Probably, to boost the Construction Industry, I don't know. So, once this was done, everything was done

according to law. There is nothing that has been done which is not according to law. As for the Municipality, this is being investigated into, Mr Speaker, Sir. I am told that the deal authorised the development at St Jean Quatre Bornes with Comaprim Ltd. on 17 October 2008 and that the decision was communicated to them. But all this will turn up in the investigation; if anything improper has been done, it will turn up in the investigation.

Mr Bérenger: Can I know from the hon. Prime Minister whether he is aware - he made mention to a Kuwaiti investor who wanted to buy this so-called project - that that Kuwaiti investor was swindled by the same people? He entered into an agreement on the basis that this company, that the Timol brothers, did not owe any money to any supplier, to any outside party or to the MRA. Then, it was discovered that they owe money to the MRA, that they owe money left, right and centre, there are numerous cases of suppliers and contractors in the Supreme Court. They had deposited 850,000 US Dollars as a deposit in good faith on that basis and when it was found out that there are cases in Court, that they owed money to the MRA, to suppliers and contractors, these people refused to refund that deposit, swindling them of that deposit and hurting our reputation as far as foreign investors are concerned, because the Kuwaitis won't keep quiet. They are already speaking left, right and centre.

The Prime Minister: Mr Speaker, Sir, when you enter into whatever deal you do, you have to do the due diligence. It is not for the Government. It's their lawyers, their notaries who should have gone and looked what they owe and what they don't owe. It's not for the Government to go and tell them. They did not do the due diligence; that's their problem.

Mr Bérenger: No, they did do it precisely! Is the hon. Prime Minister aware that they did? They signed an agreement on that basis which I am saying. Then, they brought in their people, they did the due diligence and they found out that they had been swindled, defrauded, and these people are refusing to refund that money.

(Interruptions)

Is the hon. Prime Minister aware that these people, in fact, also requested the Kuwaiti investors to pay so much to the local banks here to whom they owe money, but not the whole sum of the transaction and the rest to be transferred to an account in their name in Dubai?

The Prime Minister: Mr Speaker, Sir, it is for the people who put their money in to do the due diligence. Their notaries are there and are supposed to do the due diligence to find out if they

owe, if their property is, in fact, their property and all those things. If they did not do it, that cannot be the fault of Government. They made a mistake.

Mr Bérenger: They have done their jobs. They like their money. Mr Speaker, Sir, can I ask the hon. Prime Minister whether he has looked into something which took place when he was outside the country? These Kuwaiti investors were going to leave. The agreement was going to come to an end, because the Prime Minister's Office had not yet given the green light for that foreign investor to purchase that property. The Timol brothers told the Kuwaiti investors - "No problem. We will obtain that.", and within hours they obtained that. The Board of Investment liaised with the Prime Minister's Office; according to my information, proper procedures were not followed.

The whole thing was rushed through and the Kuwaitis were granted, as foreign investors, that authority. Can I submit three documents, Mr Speaker, Sir? The authorisation issued by the Board of Investment under section 3, etc. is issued on the 14 September 2012. The same day, the Board of Investment writes to the foreign investor concerned and to his local representative here - we are still on the 14 September - granting authorisation. Mr Speaker, Sir, I am also tabling a letter from the Board of Investment addressed to Comaprim on 08 October, that is, after authority was given to that foreign investor, a letter is issued on 14 October from the Board of Investment writing to the people concerned and asking for their bank statements of liabilities - after authorisation was already granted - I am tabling the document. Has the hon. Prime Minister found time to look into what took place in that case within hours while he was outside the country?

The Prime Minister: Mr Speaker, Sir, when investors come to invest in this country, one of the complaints is that it takes too long. But they have to go through a diligence process. I know, as a matter of fact, that the BOI does one diligence assessment and then they continue the assessment in spite of the fact that they give. This is probably what happened in that case. As for the authorisation given when I was out of the country, we checked on that, as I explained, before 1984 this could not be done. In 1984, the law was amended, State land was excluded. The authorisation given then is now in conformity with the lease agreement, Mr Speaker, Sir. It is absolutely in conformity, that is, the authorisation to sublet the building is legal. That is why it was done.

Mr Bérenger: Would the hon. Prime Minister have the information who was Minister of Housing and Lands when the transfer of the leases was effected? Who was the Minister?

(Interruptions)

Mr Speaker: Order, please!

The Prime Minister: The hon. Minister was out of the country. It was the Deputy Prime Minister who was the Acting Minister, but, Mr Speaker, Sir, as I said, this was completely in conformity with the lease agreement. It is not quite true because I checked, Mr Speaker, Sir. It was just done like this. There are procedures which are followed. It was in conformity with the lease agreement and it was given.

Mr Uteem: Mr Speaker, Sir. Mr Speaker, Sir, anybody who deals with foreigners knows how difficult it is before the Board of Investment gives its green light to permit non-citizens to invest in this country. After they have given their approval, it goes to the Prime Minister's Office even where we are dealing with private lands as it is in this case of Centre Point. May I know from the hon. Prime Minister, in this case, how long did the Board of Investment take before recommending approval of the investor and how long did it take at the Prime Minister's Office to approve the transfer and whether this is the amount of time which usually is taken by the Prime Minister's Office and BOI when processing this type of application?

The Prime Minister: It all depends, Mr Speaker, Sir. The BOI does a complete check. They do the diligence assessment – it does not come to the Prime Minister's Office – it is then only that it comes to the Prime Minister's Office. Then, again, they look at it and they try to expedite matters as soon as possible if everything is in order and this is what happened in that case.

Mr Jugnauth: Will the hon. Prime Minister say whether before granting this authority under the Non-Citizen (Restriction of Properties) Act on 14 September whether the Prime Minister's Office has done all the due diligence that is required, firstly and secondly, why is it that when writing to request for further information on 08 October 2012, the one who is responsible for the BOI, the boss at the BOI states in his letter –

“I am directed to request (...)”

By whom is he directed to request this further information?

The Prime Minister: There is a committee which sits down and then they decide. This is the usual terms that are used. In every letter, you will see: “I am directed to request.” So, that is

what is done, Mr Speaker, Sir. They do an assessment. I did explain in my answer, I think, there were 246 given, out of 300 applications. 246 applications were approved out of 300 which means as they do the due diligence, some do not fall in that category. They are not given the permission. If they are given the permission, the due diligence is made. They are allowed, but still the BOI continues to do the due diligence test because some things take too long, otherwise no investor will come in this country. If they find something, they ask for additional information and this is what happened.

Mr Speaker: Two more questions! Hon. Bhagwan!

Mr Bhagwan: From what the hon. Prime Minister has just stated, Mr Speaker, Sir, he has used the term 'unscrupulous persons'. Can I just ask the hon. Prime Minister whether he will agree with us that since the setting up of this Business Facilitation Act; this Act has been transformed into a '*Pittai*' Facilitation Act, by unscrupulous people in Local Authorities, at the BOI and other Government departments?

Mr Speaker: I am sorry. Can the hon. Member put his question, please!

Mr Bhagwan: Can I ask the hon. Prime Minister what immediate action he will take to direct all these authorities, pending whatever instrument he will use, that this type of things which have happened should stop?

The Prime Minister: Mr Speaker, Sir, I explained earlier on and in my previous PQs as well, that in October 2008, the BOI received representations about possible mechanisms being used to circumvent this Non-Citizens (Property Restriction) Act, they acted immediately. They had a meeting. The Board of Investment then reported on 17 April 2009 and they found out that there are some loopholes in the law that have to be closed. They were closed. The Non-Citizens (Property Restriction) Act and Registration Duty Act were amended through the Finance (Miscellaneous Provisions) Act. It came into force on 30 July 2009. The amendment provides, Mr Speaker, Sir, that – first of all, they redefine the meaning of non-citizen, where a company having at least one share, even one shareholder who is not a citizen of Mauritius – because they were doing it through this kind of mechanism - a trust where the beneficiaries are not citizens of Mauritius and a company that is quoted on the official list of Stock Exchange are admitted to any secondary market and its controller management invested in one or more persons were not – even if it is one person who is not a citizen of Mauritius, they have to seek the authorisation prior to acquiring any immovable property in Mauritius. They also looked at the definition of property

and that included any rights or interests in immovable property whether legal or beneficial particularly in relation to a trust. They also looked at shares. Shares, now covering immovable property held in successive subsidiary companies or partnership. They fell into the net after that. No document conferring a right or interest in immovable property whether legal or beneficial that is what they call a *droit d'occupation* to a non-citizen can be now registered unless it contains an authorisation under the Non-Citizens (Property Restriction) Act. Furthermore, Mr Speaker, Sir, while this law was being done, we had a high-powered committee chaired by the former Chairperson of the Commission of Democratisation of the Economy which looked up. All these people were there; there were officers from my office; the Ministry of Finance and Economic Development; the Board of Investment; the Ministry of Housing and Lands; the Attorney General's Office and the Financial Services Commission. That was set up on 29 July specifically to look into the cases of property development both on freehold and on leasehold beachfront land.

(Interruptions)

Mr Speaker: Order, please!

The Prime Minister: I said all this, but the hon. Member asked the question!

(Interruptions)

Mr Speaker: Order, please!

The Prime Minister: They identified the Chairperson to start the enquiry. The Chairperson took it on himself to make a declaration at the CID. That is how the whole procedure was done.

(Interruptions)

Mr Speaker: Order!

Mr Roopun: Mr Speaker, Sir, there is yet another disturbing aspect regarding this case. There have been certain allegations that information gathered from ICAC...

Mr Speaker: I am sorry to interrupt the hon. Member. He must put his question directly.

Mr Roopun: That certain information gathered through ICAC was used as a threat against the person who was an alleged victim. Can the hon. Prime Minister, at least, reassure this House that he will look into this issue and ensure that whatever information ICAC has, it is not made available to others?

The Prime Minister: Is the hon. Member saying that what ICAC has found or not found is being used as threats. I can tell him that the answer is 'no'.

Mr Bérenger: Can I come on that point? I did not want to put too many questions. I would wish the hon. Prime Minister to inquire whether it is not a fact that information which was supplied to ICAC by this gentleman, who is now dead, and in very strange circumstances, was communicated to the Timol brothers and came as threats to this gentleman, who has just died, on his email.

The Prime Minister: What I can assure the House is that the Commission of Enquiry will certainly look into that matter. It has to be looked into, if that is the allegation, Mr Speaker, Sir.

Mr Speaker: Time is over!

Mr Bérenger: It is of the tradition that the Leader of the Opposition has the last question to wrap up and the Prime Minister answers.

Mr Speaker: But the Leader of the Opposition has put the last question. I allow you another question.

(Interruptions)

Mr Bérenger: *Jeetah ena pou kasyet mem li, tu ki ena pu kasyet li pu kasyet.* The hon. Prime Minister knows that there has already been arrest by the Police and the Police inquiry is on. Normally, he says that a Commission of Enquiry is not proper because he would interfere with the Police inquiry and now he proposes the Commission of Enquiry! Can I ask the hon. Prime Minister: is it a fact that arrests took place on 19 October and since then, according to my information, there has happened nothing. No statement from these gentlemen, nothing! So, can I ask the hon. Prime Minister, this idea of the Commission of Enquiry at this stage and the fact that there has been nothing since those arrests, is it not delaying tactics and preparing for a cover-up?

(Interruptions)

Mr Speaker: Order, please!

The Prime Minister: Mr Speaker, Sir, if there had been any reason to what the hon. Leader of Opposition is saying about cover-up, then why would have the Board of Investment started an inquiry? Why would have the former Chairperson of the Commission for the Democratisation of the Economy went to the Police? Obviously, we are concerned and we have taken the initiative and these are the results of the investigation that has started.

Mr Speaker: Time is over!

MOTION
SUSPENSION OF S.O. 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.

(12.13 p.m.)

Second Reading

THE APPROPRIATION (2013) BILL

(No. XXVII of 2012)

Order read for resuming adjourned debate on the Second Reading of the Appropriation (2012) Bill (No. XXVI of 2011).

Question again proposed

Mr K. Li Kwong Wing (Second Member for Beau Bassin & Petite Rivière): Mr Speaker, Sir, it gives me much pleasure and honour to open the debate on this Budget Speech on behalf of the Opposition as spokesman for finance of my party, the MMM, in this august Assembly.

Allow me, Mr Speaker, Sir, to begin with some comments on last year's Budget. What it said and what it has delivered so far. Remember it was about more growth for the greater good! There was a list of deliverables to be completed within a time scale and examples are so many, but it is eloquent that, in spite of 91% proclaimed completion, no mention has been made of some key measures like transforming the DBM as a micro and SME Bank, development of an official rating system of hotels, start of construction of 40 out of 175 units of industrial space for SME's, a mechanism to determine the accepted range of inflation, construction of 1,000 units by NHDC on 160 *arpents* identified, setting up of three new District Councils, etc. I can go on and on, but these were promises made to be broken, for their *effets d'annonce* and not for the greater good. But worse still, what has been the impact of the Budget on the economy?

Let us take the growth rate first, the first economic indicator of the impact of their Budget and also the key theme and aim of that Budget. The Minister holds that there will be a growth rate of 3.4% in 2012. Every economic analyst in the private sector has estimated it to range from

2.9% (the MCCI) to 3.1% (the MCB), and yet this is a year of no cyclone and no drought. Economists also agree that Mauritius needs a 6% growth rate to maintain its standard of living, otherwise it will lag behind. But to make progress and graduate to a high-income economy, we need at least 8% growth, if not more. Let me make the point here that we are not for growth for growth's sake, but we need growth to create jobs, to generate new opportunities for wealth creation and to make economic progress. But at that sluggish rate of about 3%, we are not only at half the rate required, but even below the average growth rate that we used to have during the last three decades, that is, about 5.5%. So, today we have a below trend, sub-par growth rate, which is quite an underperformance even with a relatively lower base of 2011 when we have been served with a budget aimed at growth.

So, how would you rate this underachievement, Mr Speaker, Sir? Let us say it is a flop. But to be fair, we have been having a declining growth rate since some years now under this Government. The economic machine has been stuck in low gear at around 4% in 2010 and 2011, and when the new whiz kid on the block hailed as the super accountant and economist by his boss took over the driving seat, the machine has started a downhill slide to a low 3% rate. And he then said: "let's hope for the best and prepare for the worse." God forbid, it comes to a grinding halt, this machine!

The second indicator is the unemployment rate. Growth is required to create jobs and jobs are required to put people in gainful employment. So, it is the duty of Government to bring growth and in the process to create jobs, that is, to reduce unemployment. But what has this Government achieved in the current fiscal year through its Budget? Not only is the growth lower, but worse still, there is higher unemployment, which has increased from 7.8% to 8% reaching 8.2% in the third quarter. And yet the figure of 8% unemployment is just an inadequate indicator that does not give the full picture of the extent of underemployment and shadow employment in the economy. If we take into account the workers who refuse to register at their respective employment exchange on ground that they will not get a job, then we can safely add another 2% to that national employment figure. In case of countries like Mauritius, this rate could even be more because of their perceived futility of registration due to the absence of meritocracy under this present regime. So, a lot of people refuse to register and we are taking conservatively the unemployment rate to be above 10%. Just lately, a small vacancy of 80 casual labourers, it has been reported, led to 2,000 applications at the Local Authorities. So, Government has failed to

bring about new jobs to meet the demand of the new entrants, especially the youth and the educated into the labour market. It has failed also to save jobs from factory closures and it has failed to stem the rising joblessness. Indeed, this economic slowdown that it has engineered through its policy failures, has created not only a jobless growth, but a job loss growth.

The third indicator is inflation, that is, loss of purchasing power. Inflation is estimated at 4.1%, which is less than last year's 6.5%. But this inflation rate, as measured by the CPI, is an imperfect average rate and hides the fact that the majority of lower income groups are hit more severely by the rising costs of food, housing, transport and telecommunications. In fact, over the last 10 months, one survey carried out by a trade union, found that a typical basket of basic commodities normally purchased by a working family of four, costs Rs950 more, that is, about 13% increase in prices directly affecting them. This has to be compared with the Rs350 wage compensation that has been granted for next year. We can see how cut off this Government is from the reality on the ground.

The Minister proudly announced that he is granting an increase of Rs144. per month to the old age pensioners and the social security beneficiaries, saying that it is an increase of 4.3% instead of the inflation rate of 4.1%, but the reality is that they will get less than Rs5. per day. What is even more damning is that he has not disclosed in his Speech that when they will get an increase of 4.3%, the inflation next year has been estimated at 6%. This figure is stuck in the midst of a mass of figures and data lost in the maze of that thick telephone book of the Budget Estimates 2013. How would you call that Mr Speaker, Sir? This is an indication of economic misery. This Budget has brought the worse combination of misery: economic slowdown, rising unemployment and continued loss of purchasing power, that is, more misery, less unemployment and less real incomes. This is a triple shock as used to be said. It is a vicious triangle of harm to the people of Mauritius. No wonder we are the ninth most pessimistic nation in the world according to the Gallup report in 2011. 86% of our youth find no future in the economy and prefer to emigrate. This is the state of economic wreckage brought about by the Budget which is aimed at growth for the greater good. Rather it is a Budget for a weaker growth and not for the good but for the worse. Let us call it again, Mr Speaker, Sir, a flop. While we have this triple shock, there is also an increasing inequality and widening gap between the rich and poor. The gap is not only between the have and have-not, but between the have more and have less.

Mr Speaker, Sir, if you have listened to the Budget Speech, have you heard how he measured growth for the greater good. He said that growth is indicated by the number of new cars which has increased by 35% and the number of container boxes of imports which have increased again. This is his benchmark. That is why he has reduced duty on bathtubs. Now *baignoires* will be duty free when there is no water - *pani naiba*, but he wants to introduce a new type of body wash Mr Speaker, Sir. This is called *lavage à sec*, dry cleaning *dans baignoire*. We need to see what new award he will win for this invention of dry cleaning...

(Interruptions)

Mr Speaker: Order!

Mr Li Kwong Wing: I hope that the duty free flat TV that is being granted for wide screen TV will work miracles because as one person in my Constituency asked me lately; he said: '*ki pou fer avek wide screen flat TV kan guett ministre dan MBC TV eski mo vente pou plein, eski mo marmite pou rempli.*' This is the kind of Budget that is creating more inequality and more indebtedness.

Let us look at further economic indicators. Investment: what is the level of investment this year? Again, the Minister has concealed this figure. There has been an underinvestment for several years under this Government. Overall investment has again decreased this year by 0.7%, but more dangerously, private investment has fallen by 3.3%. To achieve our average growth target of 6%, the investment-rate needs to be, at least, 25% of GDP but it is only 22.8% this year. This is another underachievement, Mr Speaker, Sir. What are the types of private investment that are in decline? It is the investment in machinery, in equipment, in the Manufacturing Sector which has decreased by 8.2%. Investment in construction decreased by 10.7%, investment in wholesale and retail trade fell by 18.9%. In fact, what economic growth can we expect for next year with such poor investment record which the Minister has tried to conceal in his speech? The private investment has continued to fall in spite of the ease of doing business upgrade by the World Bank and the MCCI has shown it very eloquently when it published its latest figure of Business Confidence Index which has now reached its lowest level since the start of calculation.

Mr Speaker, Sir, they are now propping up this falling private investment with more public investment mainly in roads and construction. This new investment in roads and drains and other such public works are costing an inflated amount. They are most often unplanned. How many times you have heard this from the Director of Audit. We keep hearing this also through our PQs

- wasteful public infrastructure works without any planning, monitoring or control, under the benign neglect of the financial control that should have been exercised by the Ministry of Finance.

Mr Speaker, Sir, where on earth have you found billions of money spent in a ring road also called a circular road that is stopped halfway the circle under a mountain with no end in sight and serving no purpose for the time being and also for time to come maybe. Where on earth have you found a flyover bridge, this one at Caudan which worsens the traffic flow during peak hours causing a standstill maybe it should be called a stand over bridge for lack of a better word.

Mr Speaker, Sir, delayed completion of these types of public projects and cost overruns are rife and are famously known as variation. They are not a proper way to prop up investment. Another indicator is saving. There has been a dramatic fall in the savings rate which is now the lowest in years at 14.4% when, at least, 25% is required to mobilise resources for investment. So depressed real incomes, negative real interest rates have systematically brought down the savings rate in our economy, but this is nowhere talked of in this Budget Speech.

Let us look at the household consumption, Mr Speaker, Sir. If saving is falling, is it because the private consumption is rising too fast? No, Mr Speaker, Sir. Saving is falling, but consumption also is not rising that much. Consumption is rising only marginally from 73.4% of GDP in 2011 to 73.9% of GDP in 2012. It has remained lower than in the early 2000s. So private investment is falling, private consumption is flattening and this means not only that business and households are holding back their spending, but that there is worsening morosity all over the place. Now, let us ask ourselves: is it because the wage income is falling or is it because everybody – business, households, consumers are showing prudence in the face of worsening crisis. If we look at the share of wages in GDP, Mr Speaker, Sir, it has decreased from 34% in 2011 to 33.6% in 2012. This means that the share of workers' income in the national income has fallen. This means that not only the wages have not kept up with the retail prices, but the share of the workers in the national pie has decreased, that is, the fruits of growth are not going to labour although productivity has increased. How would you call that, Mr Speaker, Sir, you, as a former Labour stalwart? What a distressing record for a so-called Labour Government where the share of labour in the national income is decreasing which means that the share of capital and profits are rising.

Mr Speaker, Sir, are we surprised that this Budget has been publicly disowned not as an XLD Budget but as a Labour inspired Budget, inspired by the Prime Minister. The share of labour in the national income has been falling in this year.

(Interruptions)

Mr Speaker: Silence please!

Mr Li Kwong Wing: The external balance: the Minister talked of a surplus in the balance of payments of Rs3 billion, but this is said to conceal the more relevant figures of current account and trade balance. You would surely have guessed that they are not dealt with because both indicators are in negative territory. The balance of trade is in structural deficit because imports are twice the amount of exports. Yet no figures of the export receipts are given, not even that of the EPZ or other textile sector.

The trade deficit has been worsening over the years from Rs81 billion in 2012, constituting 24% of GDP, to Rs88.3 billion in 2013. Why is there such balance of trade deficit? This is because of the same economic model of development of this Government. We are perpetuating this model in this year's budget again. The economic vulnerability of Mauritius is not being addressed. We are structurally in chronic trade deficit and we are likely to be stuck in greater trade deficit over years to come. Why? Because we have been killing local manufacturing sector, we have been killing SMEs by these policy failures in the budget and we have no strategy to promote, buy 'made in Mauritius' products, selective import substitution, renewable energy or self reliance. This budget has only timidly addressed these issues.

The budget also shows that a lot of reliance has been put on the services account because it is the surplus on the services account that has come to mitigate the trade deficit. But what has been the record of tourism this year? Again, the Minister concealed the figures, nothing has been said. What have been the receipts? What has been the fall in tourists' arrivals? What has been the performance of Mauritius compared to Maldives and to Seychelles? There is a complete *silence radio* on all this. Why is it so? We have not heard so much about the performance of the tourist sector as we have heard about Mauritius as a services hub. But the worsening of the external imbalances, Mr Speaker, Sir, is being financed by the capital account. This is again another aberration of this economic model. We have a capital account which is fuelled by speculative inflows of money, by FDI that is meant for purchases of property, for property development and it is this inflow of FDI in property and speculative portfolio money inflows together with

external borrowings by both the private and the public sector that is propping up the falling current account imbalances. At the same time, it is helping to maintain the rupee very strong in a free-float system, in an open economy that is based on such external capital inflows. The Bank of Mauritius has been warning of this hot monetary debt overhang for a long time and for the need to deleverage. That is why it is resisting any cut in the key repo rate or any depreciation of the rupee.

Mr Speaker, Sir, to explain this economic model, allow me to again show how this model relies so much on FDI, on foreigners, on foreign cheap labour in order to fuel inflows of money and also this model relies on cheap labour and restraint in the compensation of wages given to workers in Mauritius so that they can fuel the speculative inflow of money. Because now the cheap labour and the export competitiveness of Mauritius is no longer favourable for industrial investment by foreigners, so it is only the land development and property development that is being promoted by the BOI and Government in order to compensate for the faltering local investment by the private sector. Therefore, this kind of economic model can only fuel property speculation and cause a property bubble and, therefore, it is just creating non-productive development in Mauritius. That is why the MCCI Business Confidence Index has plunged to its lowest level now and even the Joint Economic Committee has warned that 2013 growth will not be better than 2012 and it may be even a challenge to reach that lacklustre growth of 2012 in the next year. But the Finance Minister is immune to all these warning signals. He even takes the liberty of chastising critics not just as cynics, but as *zealous pessimists*, that is *prophète de malheur*. For him *tout va très bien, Madame la Marquise*. And if things do not work out well for him, he shifts the blame to the Bank of Mauritius and insists that it is the rupee appreciation that was the reason for the loss of 1% growth and he tries to arm-twist the Governor in order to reverse the situation. Let us sum up the saga of this open war between the Finance Minister and the Governor of the Bank of Mauritius. The Finance Minister uses his nominees at the MPC to demand a cut in the key repo rate and the decision to cut the key repo rate was even leaked out to the media, and this matter now is still under investigation at the CCID. Let us hear what the Governor of the Central Bank had to say about this obsession to cut the repo rate. This is what Governor Bheenick said –

« La baisse de 0.5% pour l'instant n'a eu aucun effet sur l'investissement. Je pense qu'elle n'en aura aucun. Einstein avait une définition de la folie que j'aime bien -

Insanity is doing the same thing over and over again but expecting different results.

Il y a deux ans - dit Monsieur Bheenick - nous avons procédé à une réduction de 100 points de base, le double de ce que nous venons de faire. On s'attendait à une reprise de l'investissement mais on a attendu en vain. »

Unable to cut the key repo rate further for the lobbies of the private sector, the Finance Minister now wants to devalue the rupee. He puts the blame of the reduction of the 1% growth rate on the overvaluation of the rupee. But the Governor took this blame as *une blague*. In fact, calling his Minister *un farceur*. Exasperated by the Governor's hard line against monetary easing and further depreciation, the Finance Minister then causes the Accountant-General to intervene directly in the Forex market to purchase US\$100 million over four months. This created a speculative reaction in the market since only some selected banks were invited by the finance Ministry to offer their bids. This had the effect of causing an immediate depreciation of 2% of the rupee, but the Bank of Mauritius promptly reacted by selling US Dollar in the market to smoothen the volatile surge and then the rupee came back to its previous level. So, the Minister of Finance has usurped the role of the Bank of Mauritius by directly intervening in the Forex market to adjust the exchange rate downwards by an insidious and stealthy means without any consultation with the Bank of Mauritius as required by the Banking Act and Bank of Mauritius Act. This is how he justifies his decision to the press, Mr Speaker, Sir -

« Nous avons près de 8 milliards roupies en dépôt. Ce dépôt n'apporte rien. Aucun intérêt pour les contribuables. C'est donc le contribuable qui perd environ 300 millions. Je n'ai pas le droit de laisser l'argent des contribuables dormir. Le but n'était pas d'intervenir sur le marché mais de combler un manque à gagner de 300 millions pour l'État annuellement ».

So, he is sitting on a load of cash and he is using that cash to speculate in the Foreign Exchange Market in order to get the rupee down and to weaken it. He can be called *Mr Dévaluation*.

In other days, Mr Speaker, Sir, Sir Seewoosagur Ramgoolam took the brave decision to devalue the currency, but he had a Finance Minister who had the intellectual honesty and the fortitude to go on TV and tell to the nation that he has devalued the rupee by 15%. But then he immediately slapped a 15% windfall gains tax on the surplus export receipts earned by the sugar sector due to this devaluation. And yet who has called *ti-dimoune ti-l'esprit*, what an insult to people of the

stature of Sir Seewoosagur Ramgoolam and Sir Veerasamy Ringadoo. In fact, they were giants compared to that prize winner who said that in the House.

(Interruptions)

Mr Speaker, Sir,...

(Interruptions)

Mr Speaker, Sir, Sir Seewoosagur will hear it in his grave...

(Interruptions)

To pas comprend...

(Interruptions)

Mr Speaker, Sir,...

(Interruptions)

Mr Speaker, Sir,...

(Interruptions)

Mr Speaker: Order, please! Order!

Mr Li Kwong Wing: Mr Speaker, Sir, he is putting all the blame on monetary policy and on the Bank of Mauritius. He is not using the fiscal tools that he has on hand.

(Interruptions)

Mr Speaker: Silence!

Mr Li Kwong Wing: He is looking only at it as a simple monetary matter. '*Dévaluer la roupie, couper l'intérêt!*' That is his leitmotiv.

(Interruptions)

One would have expected the hon. Minister to do some fiscal reforms, in view of the tools in his hands. But all that he has managed to do is roll back and *remettre en cause* the flat tax system initiated by the first Minister of Finance of this Government, who has been hailed lately by the president of the Labour Party and applauded by its Director of Communication for having brought about the elimination of the differentiated rates of tax, the removal of tax relief, tax exemptions and allowances. They said that he had introduced it under the leadership of the hon. Prime Minister, in order to have a clear, simple, uniform tax system so that there is more certainty and more predictability. This was widely applauded. But, then, what has this Government achieved afterwards with its inconsistencies and irrational zigzags? Tax on interest on savings and NRPT were put and then removed; tax on dividends and capital gains tax on land

were put and then removed; Freeport tax was reintroduced, waived and now removed again indefinitely or not. Or is it so? This Budget now has done three things: number one, it has removed the SME tax holiday of four years that had been given before. The second thing that it has done is reintroducing the concept of tax reliefs and allowances by allowing accelerated depreciation on equipment, especially for green technology. So, he is putting back what the other Minister had withdrawn! Thirdly, he has reintroduced a tax relief for contribution to medical insurance scheme. Again, he is putting back what had been withdrawn before! So, there is no clarity and no consistency. It is a matter of *faire, refaire, défaire*, and yet these people are just thumping the table all the time!

(Interruptions)

There is a goal, an own goal, and they are still thumping the table.

(Interruptions)

Mr Speaker, Sir,...

(Interruptions)

Do you know what I heard on the radio last time?

(Interruptions)

Mr Speaker: Silence, please!

Mr Li Kwong Wing: When all this is being thrust in front of them, do you know what they say on these irrational zigzags? The Director of Communication of the Labour Party said: “*be zot na pas comprend vision Premier ministre!*” Does this *faire, refaire, défaire* reflect any vision?

(Interruptions)

I think she has to go and consult my good friend optician, hon. Abdullah Hossen who is, unfortunately, not in the House.

(Interruptions)

Mr Speaker, Sir...

(Interruptions)

Mr Speaker: Order, some order, please!

Mr Li Kwong Wing: Mr Speaker, Sir, this Budget and this Finance Minister...

(Interruptions)

...is relying on more tax...

(Interruptions)

Mr Speaker: Order!

Mr Li Kwong Wing: ...is relying on more indirect tax; he is relying on over taxation of consumers...

(Interruptions)

Mr Speaker: I am on my feet. Please!

(Interruptions)

I want some order!

(Interruptions)

Please, I want some order!

(Interruptions)

Hon. Ms Deerpalsing! I warn you!

(Interruptions)

Quiet! I am...

(Interruptions)

Hon. Member, you may carry on with your speech. Order!

(Interruptions)

Mr Li Kwong Wing: Thank you, Mr Speaker, Sir.

(Interruptions)

Mr Speaker: Please, allow the hon. Member to speak! Proceed, please!

Mr Li Kwong Wing: Thank you, Mr Speaker, Sir. We, at the MMM, keep saying that the Government has only been doing two things in power. Year after year, they are indulging in capital underspending due to lack of project implementation, and sometimes deliberate and unplanned delay of public infrastructure works, which is reflected in the delayed works of the CEB, CWA, and the Port Louis Decongestion project. There are years of capital underspending on one hand, and also year after year of over taxation of consumption. Not only increase in tax on cigarettes, alcohol, petroleum and basic commodities, but also stealth tax behind the back, through contribution to MID Fund, through levy on road decongestion, through all kinds of contributions that are levied at the STC on petroleum products, plus also an increase every year in some permits, licences, penalties and fines, special levies on all kinds of things like plastic, environment, SMS and, soon may be, also a garbage tax. There is VAT on everything, and every

time they remove some VAT rate on some products, they introduce a stealth tax elsewhere. With the years of capital under spending and the years of over-taxation on consumption, the Government has been able to achieve a low Budget deficit and, over the years, it has ranged between 3 and 3.5 percent.

The Government has been taking external borrowings which, in some cases, had to be returned. We have heard the Minister of Public Utilities saying that he has returned a CWA loan, and we also heard the former Minister of Finance saying that he had returned a loan to the World Bank on public sector efficiency. They have taken so much external debt that they are now accumulating fiscal reserves by billions, which are lying idle and dormant at the Bank of Mauritius, and earning, as the Minister says, nothing. The latest figure in September 2012 shows that the Government has a demand deposit at the Bank of Mauritius of more than 14.5 billion. This shows, therefore, that there is ample room and fiscal space for manoeuvre by the Minister of Finance. They are sufficient budgetary resources to prepare a bold and imaginative Budget of *relance* away from this anaemic growth of 3 percent.

Mr Speaker, Sir, at a time when private investment is falling, household consumption is flattening, exports are stagnating, all the private components of aggregate demand are weakening, it is clear that the growth of the national output or GDP cannot gain traction unless there is an injection of net Government spending to offset the slack in the private demand. This is the role of fiscal policy in macroeconomic demand management. This is simple economics. That is why when the external demand from our traditional market is flattening and the domestic demand is dragged down by the poor business and consumer confidence, there is need of a fiscal stimulus, sizeable, manageable, and sustainable enough to boost the economy to quick, effective, sound recovery. Any increase in Government expenditure in the economy that is withdrawn by so much increase in taxation will serve little purpose to increase growth. A Budget deficit is an effective tool to expand the economy. But, in the present case, although unemployment is rising, growth is slowing down in a downward cycle, with increased downside risks, when the discretionary rate of Budget deficit planned by Government at 3.8 percent of GDP has now dropped to 2.5, owing to the inability to spend the capital budget, does it make economic sense to reduce the projected Budget deficit to still a lower rate of 2.2 percent of GDP through further taxes, when the uncertainties and turmoil in the world economy will last longer, especially when the Minister is priding himself on a reduced public debt ratio that continues to fall from 57.5

percent in 2011 to 57 percent in 2012, and an estimated 56.7 percent in 2013? So, Mr Speaker, Sir, what is the economic sense of applying a fiscal brake to an economic engine which is already in low gear and slowing down, when the road sign is still safe to travel? Unless the driver is on a fiscal learner licence or suffers from fiscal myopia.

(Interruptions)

Mr Speaker, Sir, all that this Minister has managed to do is to levy more taxes and more taxes on consumers; massive increase of consumption taxes in this Budget; an increase of VAT by Rs2.6 billion, an increase of 10.6%; an increase on tax on alcohol and tobacco by almost Rs1 billion. In all, an increase in goods and services and custom duty by Rs4.6 billion. If we include direct taxes, the total taxes have been increased by Rs6.4 billion. In fact, this tax system depends on four big items, which we call the big four: alcohol in 2013, now earns Government Rs4.3 billion; tobacco earns Government Rs3.7 billion; motor vehicles (duties and licences) provide Government with Rs4.7 billion and customs duty on petroleum products gives Government Rs3.1 billion. So, these are the four pillars of the Government Tax Policy. What does the hon. Minister do with all these tax monies? We have seen that there has been an increase in consumption taxes, indirect taxes of Rs4.6 billion. What has he done with it? This is only to pay handful of peanuts, Mr Speaker, Sir, to the poor and the vulnerable groups!

Let us look at the estimates to identify the cost of the freebies that have been flung out amidst the table thumping of his followers. These are crumbs ranging from Rs150 m. for tablet computers for 20,000 Form IV students; Rs50 m. for the daily hot meals to ZEP schools children; Rs9 m. for Braille equipment to visually impaired students and some Rs130 m. for social housing units of which Rs15 m. at Karo Kalyptis. This would come up to some Rs500 m., Mr Speaker, Sir, which is about 10% of the increase of the indirect taxes of Rs4.6 billion. Only 10% of this increase in indirect taxes is devoted to these three freebies, Mr Speaker, Sir. What was the remaining 90% increase of indirect taxes meant for? It was meant for cash incentive, cash exemption for those who are going to make golf courses, for those who are going to go for vintage cars, for those who are going to buy 200cc motorcycles. These are the kind of things that are going to be financed by the increase in indirect taxes, Mr Speaker, Sir. In fact, we would have thought that the additional amount would be used for more social protection of the distressed groups and for financing the facilities to be given to the small producers. If we look at what has been done with these Rs4.6 billion – unfortunately, I do not see hon. Suren Dayal here.

Mr Speaker, Sir, the budget of the Ministry of Social Integration has been reduced although indirect taxes have been increased. This is the social dimension of this Budget, Mr Speaker, Sir! In fact, if we look at the Budget Estimates of 2013 carefully, we can see that it is just a system of pinching easy money from the poor to pay the rich. This whole process is passed as the nation's contribution to the weakest sector of society.

Many people have been hoodwinked to think that this is a social budget. In fact, it is just a rent seeking system whereby the State has a captive market to extract money for its own gratification on the delusive pretext of redistribution to the poor. There has been no redistribution to the poor, Mr Speaker, Sir, in this Budget. This Budget actually is a Budget that is *anti-consummateurs*, *anti 'ti-dimounes'* and *antisocial*. Furthermore, this Budget has no credibility at all, Mr Speaker, Sir. The nation has already expressed a resounding 'no-confidence' in the Minister. If we listen to what is being on the radio and written in newspapers, everybody sees that this Budget is '*pro gros capital and gros étrangers*'.

Let us see what the Budget has failed to address. First, it has not said anything about the Labour Law Legislation that was going to be presented to the House since long. It has said nothing about the Economic and Social Transformation Plan, which was going supposedly to move the nation forward. It has said nothing about what is being done for cooperatives; the cooperatives of small producers and small consumers, Nothing in that respect! Nothing about the *MID*, *Maurice Ile Durable* project, so dear to the hon. Prime Minister, where his advisor is even recommending that Mauritius becomes a place like Davos, to hold a World Environment Forum. Nothing about *MID*! In fact, the whole destruction of *MID* has been carried out by the Ministry of Finance when the Director of *MID* was not even given a proper allowance for doing a good job.

Mr Speaker, Sir, nothing on *Métro Léger* when we have a big problem of road congestion and public transport in Mauritius, which is reducing the productivity of workers. Nothing about the smart card, Mr Speaker, Sir! Nothing! Only rehashing of old measures. Only small measures, which create some kind of budgetary buzz, like reducing the use of paper in Government by 25%. By giving Touch Screen Tablets when the textbooks that are prescribed to these students in the Curricula still have to be purchased in hard copies.

Talking about Duty-Free Shopping Project, which has again been concealed, the Budget mentions a revamp of the VAT refund system, which is another rehash of the same thing which has been done under a more ambitious project by the previous Minister of Finance.

If we look at the approach of the Budget, it is just recycling of old tools and refreshing of old recipes. Let us look at what has been proposed in the Budget.

Mr Speaker: I am sorry to interrupt the hon. Member. How long does he still have to go?

Mr Li Kwong Wing: Fifteen minutes.

Mr Speaker: I think this is a proper time to suspend the sitting. We will break for one and half hours.

At 1.01 p.m. the sitting was suspended.

On resuming at 2.34 p.m. with Mr Speaker in the Chair.

Mr Speaker: Yes, hon. Li Kwong Wing!

Mr Li Kwong Wing: Thank you Mr Speaker, Sir. So, I would like to continue by making a few comments on some of the measures of this budget.

Let me come to one important sector which is that of Information and Communication Technology. The Government, in this budget, is announcing the launch of e-services, but this proves how ignorant the Minister is about the Government's own works. The preceding Government MMM/MSM launched in 2004 an e-government portal with five key e-services online and set up the Government Online Centre in Ebène and at that time Mauritius was among the leading countries to enable Government services online. By 2005, our citizens already had access to the following e-services: application for scholarships, application for learners' driving licence, application for work permits and application for vacancies advertised by the PSC. All these applications could be done online in a user-friendly manner and this helps to reduce administrative bottlenecks and processing time while providing enhanced services to citizens. In fact, the information submitted online was encrypted when transmitted via the Internet to the Government Online Centre to preserve the confidentiality and integrity of the information submitted.

Now, this Government has done nothing to continue on this innovative e-initiative implemented by the preceding Government, the MMM/MSM Government. After more than seven years now, after failing to add any more e-services and to revamp the existing Government

portal and update the information and bringing more technologies incorporating the e-payment gateway which was already part of the phase II of the then Government's Programme. After eight years of doing nothing, now the Government is announcing that they are going to add back those services that they have failed to continue. If that had been done long ago, our citizens' lives would have improved considerably and lots of money would have been saved.

Let me come to the Youth Employment Programme. Again, this is the rehash of an old programme that was already initiated by the then Minister of Finance in 2006 under the appellation of Empowerment Programme wherein he has allocated a budget of Rs5 billion to deliver on seven critical activities, one of which was a Workfare Programme emphasising training and re-skilling. The objective then, in 2006, was to train 2000 people for the ICT sector in areas such as Call Centres, BPO, software development, IT networking and infrastructure, and, by 2009, a sum of Rs21m. was earmarked in the national budget for that purpose. The preferred training partners in those times were: Accenture, Infinity BPO and Euro CRM and, at that time, the scheme provided for financing of 60% of the training costs and allocation of stipend of Rs3000 to Rs4000 per month to each trainee.

In 2011, Government revamped this programme into the pre-job training programme which was again run under the National Empowerment Fund and now for Budget 2013, the hon. Minister now announces another programme recouped and recycled as the Youth Employment Programme. If we analyse all the features of this Youth Employment Programme, it is a copy and paste of the same 2006 Empowerment Programme which was launched under the former Minister of Finance who is getting so much credit now by the Labour Party after having been chucked out in the last election. Clearly, this Government has run out of ideas, run out of vision and is going backwards to a 2006 programme; adding some make-up to it, bringing back that programme which, at that time, benefited only Infinity BPO. The question to be asked now in this new recycled programme called the Youth Employment Programme, whose turn is it to benefit? This is a question that should be asked to the hon. Minister of Finance. After BPO Infinity, which other call centre company will benefit from this?

I come to a third measure for SMEs. The SMEs were supposed to benefit from a revolutionary line of credit invented by the hon. Minister last year in order to guarantee 40% of all unpaid loans of SMEs that have been granted by Commercial Banks. In 2011, the amount that Government would guarantee was 40% and now for the 2013 Budget, Government announces

that the guarantee would be increased to 50% of delinquent loans to the banks. This is a key scheme that has only benefited the banks. It has served to reschedule the existing loan book for their selected clients with a pay back guarantee by Government for their bad loans. This is not a solution for the SMEs; this is a bailout for the banks. In fact, when Government announced in 2010 that it was going to convert the DBM into a development-financing agency that would have given more effective support to the SMEs. That would have provided better-managed assistance to SMEs and with the Government guarantee coming in the wake of a revamped and better performing DBM that would have helped the small businesses. But instead of supporting the needy SMEs through a revamped DBM, the Government has preferred to resort to Commercial Banks underwriting 50% of the non-reimbursed loans which the SMEs now are called upon to apply. Therefore, Mr Speaker, Sir, this programme is a rehashed programme which is benefiting more the banks than the SMEs and I think it is time to revisit the whole scheme in order to equip the DBM with the resources and the funds to assist the needy SMEs and to provide them with all the necessary support so that they get adequate resources, management skills, marketing support with the help of either Enterprise Mauritius or SMEDA which would be responsible in a proactive way to guide and accompany them.

Let me, on the same subject of SMEs, touch on the question of industrial parks for SMEs. In the 2012 Budget, Government announced that they will put at the disposal of SMEs industrial space which would be on rent to the SMEs with a 3-year moratorium in order to enable the SMEs to move out of their garages, sheds and homes in order to work in a proper environment, but today, Mr Speaker, Sir, we have not seen one single industrial park.

The excuse given by the hon. Prime Minister is that there have been a lot of bottlenecks and a lot of issues pertaining to contracts and leases and what have you. But we fail to understand why a Government which was coming with a project which was supposed to be so revolutionary did not study these matters, did not foresee these bottlenecks, and did not make the proper planning before making such announcements. This has more the taste of an *effet d'annonce* than anything else. What SMEs would be looking for is not only industrial space, but also a full package of services which would provide them with product development facilities, quality standards, market knowledge, culture sensitisation, communication support and technology modernisation. This is what is required from the Government; not just the industrial space, but all the packages of full incentives and support behind.

The third dimension of the SME assistance concerns the VAT exemption. Now, the VAT registration threshold would be raised to Rs4 m. This is a good measure, but it may have many potential problems, because existing firms with turnover which exceeds Rs2 m., but is below Rs4 m., may stop paying VAT as from the next quarter. But, they will all come to grief because they will start facing claims and penalties from MRA who will call for a re-examination and scrutiny of all the affairs because the deregistration has not been properly done.

There is need not to have an *effet d'annonce* for the deregistration of firms with turnover of Rs2 m. to Rs4 m., but there is need of a fast track, time bound deregistration. The MRA should be asked to go through its records and invite all those SMEs with turnover above Rs2 m. and below Rs4 m. to come forward for voluntary deregistration. Otherwise, they will face a lot of headaches from the MRA, but they will still need to keep proper records after deregistration but they may choose to be voluntarily registered also.

In fact, what should be done in this case is to provide certain facilities to these SMEs to proceed with their deregistration and their proper accounting operations so that they do not face all the hassles from the MRA. For this purpose, I am proposing that Government introduces something like legal aid. Legal aid is provided to people, so why not give to these small enterprises some consulting aid; not only financial aid, but also some business consulting aid, accounting aid and management support. This is a programme that should have been envisaged in the context of this deregistration for VAT purposes. On top of this accounting and professional aid, it is also proposed that they should be exempted from income tax altogether after having been deregistered from VAT, because the removal of a four-year tax holiday for SMEs is a step backwards. This should actually be extended.

After the SMEs, let me come to the measure concerning the cap on bank charges. The Speech mentions the imposition of a cap on bank charges, but it is on bank charges only and not covering fees and commissions which seem to be exempted. Charges have a different meaning from fees and commissions, but once a cap is imposed on the banks, they will generally try to make up for the lost revenue by taking further risks or compensating this shortfall with other types of fees and commissions. So, it is believed that the cap will not be effective because, at the end of the day, the customers of the banks will still pay the same amount.

The proposal is that Government should rather call on its Government-owned banks - the SBM and the MPCB - and initiate a move to ask their own banks, the State-owned banks, to put

a cap on the fees, commissions and charges themselves by giving the right example, because the idea of having a regulation to cap bank charges only may not work. So, it is better in a situation where you have liberal financial services market to give the right example and ask Government banks to set that example and cap their fees, commissions and charges to begin with.

I end with the last measure which is that of financial services. With regard to financial services, maybe we should pay the devil his due. We have heard applause of the introduction of that new investment product called the tax-exempt fund. When I was Chairman of the Association of Trust and Management Companies, our Association has been long hitting against a wall to make the then Minister of Finance and the former Chief Executive of FSC understand that we should not put all our eggs in one basket. That is, in the tax treaty based vehicles and on top of that, in only one tax treaty. But, it was an uphill struggle to convince them, because they find themselves behind an obligation which, they said, Government had to comply with the dictates of the OECD and other such organisations, which seek to eliminate harmful tax competition. That is why they were not keen to allow tax-exempt products, but this had the effect of holding back the development of non-treaty business and for many years, we had not been able to diversify our product services offerings and diversify our markets due to this dependence on the India tax treaty. We could have strode a long march over the competing jurisdictions in offering such tax exempts or tax neutral funds to markets in India, China, USA and the Middle East. But, never mind, it is better late than never.

Regarding the licence of the management companies which is now being proposed to be based on turnover, there have been so many changes. Every year we have a new proposal. First, licence fees were increased by a fixed amount which was then revised. Then, a special levy was raised on the profits of management companies which had to be removed and which were then replaced by a new increase in licence fees. Now, we have a new revision of fees to be based on turnover. So, we have three changes in three years. This gives no stability and no certainty to tax policy in financial services and can only be counter-productive.

With regard to the requirement of enhanced commercial substance for the global business companies in order to obtain the tax residency certificate, again this is in reaction to India's concern about Mauritius as a pass-through jurisdiction, but Mauritius is one of the very few, if not the only jurisdiction, that has embedded this tax residency requirements in the revenue law. No other country has gone so far as to put the requirements of the tax residency certificate in the

law, but anyway a few points are in order. All stakeholders need to be consulted to discuss the nature of the substance criteria. There need to be very clear objective criteria that last in time and do not change every year like the licence fees.

There should also be very clear procedures for enforcement by the MRA so that interpretation of the criteria does not vary with the whims of the revenue authorities. In particular, the late filing of accounts due to group consolidation always hinders the issue of TRC for flimsy reasons. The other requirement is that clear rules should be established for allowing the global business companies to do business locally if we are encouraging global business companies to enhance substance. For example, regional headquarters companies should not be branded as domestic units when they carry on more local work, otherwise they will be discouraged to bring more work for local administration. These are the few comments that I have on some of the measures, but if we would want the Budget to have any particular effect especially with the massive resources available on hand and ample fiscal space, it is important that we suggest some ways that could have helped to ease the problems of consumers and taxpayers. Some of the ideas that have come to light are that Government could have done a few things that would have helped to re-launch the economy, but also to ease the burden of consumers. Some suggested measures are as follows -

- (i) Government could have removed the VAT on petroleum products and all remaining food items including inputs for food production;
- (ii) Government could have removed the levy on the Maurice Ile Durable project as this levy is not being used properly and the MID Fund, in any way, has been shelved or collapsed. So, this is a pure tax revenue and should rather be removed from the ambit of the State Trading Corporation.
- (iii) Another proposal is for the tax holiday, the four-year tax holiday to be extended for the SMEs and not only for the SMEs, but also for cooperatives because cooperatives are self-help organisations for small consumers and producers.
- (iv) Instead of the 15% reduction in the internet bandwidth cost; it is a 50% reduction that should have been proposed to have any effect in the ICT sector as this is, in fact, being requested by the Association of IT operators.

We now come to the PRB report where the civil servants have been granted an average of 22% wage increase, but while they have been granted that wage increase, they will have to

contribute 6% as pension contribution plus now they will have to pay higher income tax which will hit on the full amount of increase obtained by most of the civil servants, because the income tax threshold for taxation has not been raised. I think this is the first time in the Budget that income tax threshold has not been changed. Therefore, this will be tantamount to giving the civil servants something and taking part of it by another hand.

There is also the question of the compensation to old age pensioners, the disabled and handicapped. A sum of Rs144 increase is nothing when we consider the billions of rupees that Government has raised through increase indirect tax on consumers. Why not increase the pension of the old age pensioners and the social benefits of the handicapped and others by Rs350?

(Interruptions)

Mr Speaker: Order, please!

Mr Li Kwong Wing: The same amount as the wage compensation that has been approved and prescribed by Government. Mr Speaker, Sir, these measures would have alleviated the miseries of the small men, small producers and the vulnerable groups.

May I now conclude, Mr Speaker, Sir, by saying that maybe this country has never seen such unanimous disapproval of a Budget Speech across all sections of the nation, from trade unions to NGOs to the people in the street.

(Interruptions)

Everybody has been voicing its disapproval to this Budget. Even the private sector, Mr Speaker, Sir, has got its reservations and the observations that we note from their comments is that '*c'est un budget raté, décevant, qui manque d'imagination, d'ambition et d'idée*'. This Budget - it is a matter of regret to say - is not one that will take Mauritius to a new level of development. This Budget is a missed opportunity because it lacks vision. It has no strategy, it has no plan, it has no credibility and it has no confidence.

(Interruptions)

Mr Speaker: Order, please!

Mr Li Kwong Wing: This Budget actually is like a tablet.

Mr Speaker: Order! I said order!

Mr Li Kwong Wing: This Budget is like a tablet of *petites annonces* and maybe wrapping a lot of *margozes* for people including a lot of the labour rank and file. You just have to listen to

what the labour rank and file is saying and they are all disassociating themselves from this Budget because they know what will befall them.

(Interruptions)

Mr Speaker: I said order!

Mr Li Kwong Wing: ...when the full force of the Budget will be implemented. The rank and file, not self-serving people, at least, they have the honesty and the sincerity to say that this Budget is not going to make their life easier. This Budget, at the end of year 2013, will make life harder for everybody. This Budget will make them lose their jobs.

(Interruptions)

Mr Speaker: Please, allow the hon. Member to conclude!

Mr Li Kwong Wing: This Budget will make them suffer a reduction in their real income because of the increase in prices and indirect taxes. This Budget will bring us back, not to the days where jobs were being created and people were having an increase in their standard of living, like in the days when Sir Gaëtan Duval was saying ‘*Amène to diary, Solange*’. But this Budget will make people not even be able to pay for their cooking gas and they will have to go to look for *du bois, in order to alime zott foyer*. This Budget will make them look for their *pooknis* and this is what the Labour rank and file is saying,

(Interruptions)

They will go back to the days when they will call their mothers and they will say, not –

“Solange, amène mo diary!”

They will say –

“*Manti, amène pookni là* because they can’t afford cooking gas!”

(Interruptions)

So, this Government has found all sorts of easy ways to do money pinching; to pinch money in the pockets of consumers. They find all kinds of pretexts to raise money and we are not short of taxes, but we do not need new taxes. We do not need to have a Government that thinks that tax is a way to bring the people to prosperity. Taxes will not lead people to prosperity. Devaluation will not lead people to prosperity, but we have here the Budget of Mr Devaluation and Mr Taxation, Mr More Tax and we say like all Labour rank and file ‘No’ to this Budget. We have no confidence in the speaker and we, therefore, say very loud and clear that this Budget should be thrown away. We make an appeal to the hon. Prime Minister to call back this Budget Speech, in

order to review all these measures. We hope that the appeal is going to fall on sympathetic and attentive ears because this Budget will do harm to the nation. It is going to hurt the poor, and it is going to make everybody poorer.

Thank you, Mr Speaker, Sir.

(3.01p.m.)

The Minister of Education and Human Resources (Dr. V. Bunwaree): M. le président, permettez-moi tout d'abord de féliciter mon collègue, le vice-Premier ministre, ministre des Finances et du Développement économique, pour le très beau discours qu'il a prononcé à la nation à travers l'Assemblée nationale, concernant le budget de la nation.

M. le président, dans la conjoncture présente et ce qui se passe sur le plan économique et financier dans le monde depuis quelques années, je pense que le ministre des Finances mérite plus que des félicitations, pour avoir réussi à réaliser un budget qui, si on lui donne les semaines et les mois à travailler, nous prouvera que c'était le plus adapté à l'île Maurice moderne, et que nous voulons mettre sur pied.

M. le président, avant d'aller plus loin, fidèle à un des mes grands principes - essayer toujours de me mettre à la place de l'autre - j'essaye de me mettre à votre place, vous qui êtes devant nous, au perchoir, aujourd'hui, pour présider ces débats du budget, pour vous avoir connu au sein de cette Assemblée - et vous étiez même là avant nous. Vous avez suivi combien de discours du budget dans divers postes de responsabilité, et même si maintenant le poste que vous occupez ne vous permet pas de donner votre opinion sur les points qui sont mentionnés, vous allez sûrement je pense, en votre for intérieur, faire appel à de nombreux souvenirs des nombreux discours du budget auxquels vous avez assisté. Je me rappelle moi-même avoir été à vos côtés dans des moments difficiles du développement du pays sur les bancs d'à côté, où nous avons travaillé ensemble. Je connais votre sens du devoir ; je connais votre sens des responsabilités. Seulement, ayant écouté le précédent discours en guise de réponse au discours du budget qui a été lu à la nation par le ministre des Finances l'autre jour, je dois dire que nous avons raison de nous inquiéter.

Ce discours qui a été fait par mon ami, l'honorable Li Kwong Wing, qui est un fin économiste et financier, qui connaît bien les affaires économiques du pays, qui est dans le vif de ce développement économique et financier, qui a occupé sûrement de nombreux postes de

responsabilité et qui, aujourd'hui, élu du peuple, est venu montrer sa connaissance du domaine à l'Assemblée nationale, s'est laissé aller, comme le font souvent de nombreuses personnes, plus dans le domaine politique, essayant de critiquer à tort et à travers des petits points, des peccadilles qu'il a trouvées ci et là. C'est comme si un enfant était donné un texte, et on lui demandait de sortir tous les mots et de ce qu'il pourrait dire concernant chaque mot - qu'est-ce que ça veut dire, qu'est-ce que tu peux faire avec ça. C'est dommage, parce que lui-même a mentionné - je l'ai entendu de mes propres oreilles ; pas ici mais en dehors de la Chambre - que c'était pour lui une fierté, un honneur - il a dit encore ici aujourd'hui - d'avoir pris la place du Leader de l'opposition pour répondre - car habituellement c'est le Leader de l'opposition qui le fait - au ministre des Finances. Mais, malheureusement, ce discours raté, vide de sens ; j'ai peiné pour trouver un fil conducteur dans ce qu'il voulait dire, mais malheureusement je n'ai pas trouvé. C'est dommage, mais c'est comme ça. Si le Leader de l'opposition, pour des raisons sûrement valables, a décidé de changer de stratégie, moi je n'ai pas compris pourquoi, parce que si on est dans une alliance unie, en parle de *remake* à l'extérieur, alors que nous avons un ancien ministre des Finances, le leader de l'autre partie, il aurait eu l'honneur de venir répondre au moins à la question. Ils ont décidé de la sorte, et c'est dommage pour la nation.

M. le président, j'avais commencé à noter ce que disait l'honorable Kee Chong au début de son discours. Il a commencé à parler des problèmes ; il allait à une vitesse extra rapide, comme s'il était pressé d'en finir avec le discours le plus vite que possible. On lui a donné ce travail à faire, il fallait le faire. Mais j'ai commencé à noter malgré la vitesse. Il a mentionné le taux de croissance. Je dois dire que c'est le débat du jour. Il a parlé du taux de chômage ; taux de chômage qui était à 7.8% et qui est maintenant à 7.9%. On ne s'en félicite pas, mais seulement traiter cela comme ci c'est une catastrophe, je n'arrive pas à comprendre venant d'une personne de sa trempe sur le plan économique et financier. Il ajoute '8%, peut être 8.2%,' et encore ! Ce n'est pas du sérieux. Ce n'est pas un problème majeur. Il a aussi parlé de l'inflation qu'il a nommé le *triple shock*. M. le président, c'est que je eu l'occasion de faire appel à une présentation par le journal 'Le Mauricien'. Je ne vais pas faire appel aux détails, mais l'honorable Li Kwong Wing qui est le porte-parole qui a remplacé l'autre...

(Interruptions)

Rasoir !

(Interruptions)

J'ai répondu parce qu'on m'a posé la question, M. le président.

(Interruptions)

Mr Speaker: Order!

Dr. Bunwaree: Bien sûr ! On n'a pas oublié qu'il était notre candidat ! J'ai eu l'occasion de voir ce que l'honorable Kee Chong Li Kwong Wing disait au 'Mauricien' le 8 novembre 2012, c'est-à-dire la veille de la présentation du budget.

Il y a de nombreuses choses qui sont mentionnées ; le budget n'était pas présenté encore, mais lui bien sûr, - c'est son devoir, je ne le conteste pas ; l'opposition fait son travail - le porte parole, fait des déclarations à la presse. Je cite ce qui est rapporté par le journaliste :

« Monsieur Li Kwong Wing observe que le gouvernement a continué à surfer sur une croissance générée par des nouveaux services introduits par le gouvernement MMM/MSM. »

Il n'y était pas à ce moment-là, autant que je sache, à moins qu'il vienne nous prouver le contraire ; peut être en catimini. Il cite notamment le TIC mais tout le monde sait dans ce pays que le TIC a démarré sous le premier gouvernement de Navin Ramgoolam en 1996-2000 et le MMM auquel il n'appartenait peut être pas encore était avec nous. En partie, on a travaillé ensemble et puis ils ont bien sûr comme d'habitude pris le chemin de la sortie mais le tic n'est pas l'affaire du gouvernement MMM/MSM. S'ils ont continué à travailler dessus c'est une autre chose. Ils n'ont pas dormi là dessus. Ils ont pris la balle au bond, ils ont essayé de faire ce qu'ils ont pu mais seulement personne ne viendra contester le fait que le tic ait été à l'origine, l'affaire du Parti Travailleuse/PMSD et en particulier la mise sur pied d'un ministère responsable de la technologie informatique. Pour la première fois dans l'histoire de ce pays c'était le Parti travailleuse en 1996-2000. Monsieur Li Kwong Wing semble avoir été amnésique à ce moment si vous me permettez d'utiliser ce mot. Autre grande trouvaille de l'honorable Li Kwong Wing sur laquelle la croissance a été générée sur les nouveaux services introduits par le MMM/MSM l'offshore. Là c'est rasoir qui était dans le gouvernement bleu blanc rouge de l'époque. C'est là qu'on a commencé l'*offshore*. Alors lui qui est un acteur important du service offshore est venu faire une bourde pareille. L'offshore, ce n'est pas le gouvernement MMM/MSM. L'offshore c'est le gouvernement bleu blanc rouge de 1985, 1986, 1987 où bien sur...

(Interruptions)

MSM, Travailleuse et PMSD – bleu blanc rouge....

(Interruptions)

M. le président, il parle du développement immobilier à travers l'IRS. Peut être qu'il a un petit peu raison là. Là où il y a IRS, il y a propriété, il y aura business - là ils ont peut être travaillé un peu mais j'en passe. Ce sont de nouveaux secteurs qui ont permis de maintenir un taux de croissance élevée. Alors je me pose la question et je pose la question à l'honorable Li Kwong Wing aussi: maintenir un taux de croissance élevée, *which is which?* La croissance est-elle élevée, maintenue oui ou non? C'est lui qui le dit et il vient donner les raisons. Quelles sont les causes qui ont permis à cette croissance de rester élevée dans son esprit étant donné la conjoncture internationale. Bien sûr la croissance n'est pas mauvaise pour l'île Maurice. Il le sait, il le dit et il n'a pas pensé aux retombées de ce qu'il dit.

(Interruptions)

Sithanen a fait un bon travail personne ne conteste. Il n'est pas là aujourd'hui mais il a fait un bon travail. C'est cela que je voulais dire mais je reviendrais là dessus. Le budget qui est présenté aujourd'hui est un budget du gouvernement de Navin Ramgoolam. Il a été au gouvernement entre 1995 à 2000 ; il a été au gouvernement encore entre 2005 et 2010 et puis il est toujours au gouvernement depuis 2010 jusqu'à maintenant. Il y a eu un petit passage malheureux d'un allié qui est venu, et puis qui est sorti; qui a fait des difficultés. Je ne rentre pas dans les détails politiques mais seulement le gouvernement était le même. Le Premier ministre a toujours été là. Mon collègue le vice-Premier ministre était toujours ministre depuis 2005 dans ce même gouvernement. Tous ceux qui ont travaillé au gouvernement savent très bien que quand on est dans un gouvernement, on est dans le gouvernement, c'est comme une caravane qui passe. Alors il y a de petits problèmes à droite à gauche de temps en temps mais le droit fil de ce que fait le gouvernement continue. Il n'y a pas de changement de cap. C'est tout à fait normal que ce gouvernement continue son travail et que le budget soit un bon budget cadré dans ce cadre de développement qui a été déterminé depuis mai 2005; et bien sûr à ce moment là le ministre responsable était monsieur Sithanen; aujourd'hui c'est mon collègue Xavier-Luc Duval.

M. le président, permettez moi d'aller un petit peu plus loin dans cet article avant de terminer. Je ne vais pas rester trop longtemps là-dessus. Il parle aussi d'une meilleure efficience des corps paraétatiques et du *e-government*, c'est ce qui a été mentionné dans le budget. J'ai pris cela comme exemple mais il y a de nombreuses petites choses qu'il avance qui sont des choses qui ont été mentionnées dans le budget. Il devrait féliciter le budget parce que tout cela a été pris

en compte. Maintenant c'était la veille du budget alors le choc est venu le lendemain. Quand le discours a été lu, là il a vu qu'il ne peut se baser sur ce qu'il a déclaré à la presse pour faire son discours à l'assemblée, d'autant plus qu'on lui a donné l'honneur de venir répondre au ministre des finances. Il a fallu changer. Alors il change et, bien entendu, pour moi c'est ceci qui a provoqué cela. Si on a eu droit à un discours moche, un discours difficile à suivre sans fondement majeur c'est parce que je pense qu'il a été pris au dépourvu; il ne s'attendait pas lui-même qu'il devait faire son discours à la place du *leader* de l'opposition, devant un discours réussi du ministre Xavier-Luc Duval.

Maintenant M. le président, si l'honorable Li Kwong Wing devait critiquer le travail du gouvernement, essayer de trouver des points de repère, je pense que c'est par rapport – à moins qu'il n'y croit pas vraiment - à la performance du gouvernement choisi par lui-même MMM/MSM parce qu'ils ont été au gouvernement à deux ou trois reprises. Il aurait pu choisir mais, bien entendu, moi, j'ai choisi les périodes 2000 et 2005. Il dit qu'il aurait pu faire mieux. Je ne peux pas le détacher du MMM parce qu'il est membre du MMM mais seulement je crois fondamentalement qu'il ne pouvait pas lui-même être satisfait de ce que le gouvernement - Alliance MMM/MSM - avait fait entre 2000 et 2005.

Il a parlé de la croissance. M. le président, le ministre des finances en a parlé. Si on compare les années 2011 et 2012, on a un taux de croissance pour les quatre trimestres: 5%, 4.8%, 3.5%, 1.8%. Le ministre d'alors était l'honorable Pravind Jugnauth. Donc pouvons-nous appeler cela une performance valable? On démarre avec 5%, le trimestre suivant est à 4.8%; le trimestre après est à 3.5% et le dernier trimestre est de 1.8%. Voilà la performance de l'ex-ministre Pravind Jugnauth au finance pour les années 2011 et 2012. Il a pris la responsabilité des finances au milieu de l'année 2010 et puis il a commencé son travail. Il a fallu lui donner deux à trois mois pour qu'il s'habitue et les résultats arrivent l'année qui suit. C'est comme cela qu'on juge. Maintenant le cap est pris par l'honorable Xavier Duval et en 2012 après 1.8% premier trimestre 3%; deuxième trimestre: 2.7%; troisième trimestre 3.7% et quatrième trimestre octobre à décembre est donc prévu pour 4%. La courbe est caricaturale. Il y a une chute progressive et dramatique à l'époque avec l'honorable Pravind Jugnauth comme ministre des finances et voilà que mon ami Xavier Duval reprend la barre avec les résultats que nous constatons. M. le président, je vais un peu plus loin à l'époque 2000-2005. Je ne vais pas aller trimestre par trimestre mais année par année.

En 2001, on a eu une croissance de 1.8%; en 2002 - 1.8% ; en 2003 – 4.3% ; en 2004 – 4.2% et en 2005 – 3.5%, une moyenne de leur performance au pouvoir à cette époque. Mais que viennent-ils raconter ici ou ailleurs? Ils auraient dû avoir des problèmes parce qu’eux-mêmes ils parlaient d’une baisse conséquente de la production de l’industrie du textile et de la confection. Il y avait des défis énormes sur le plan international. C’était les explications qu’ils donnaient. Voilà les résultats de leur performance au gouvernement, une croissance en moyenne de 3.5%. Comme l’honorable Li Kwong Wing l’a dit, il associe le problème de la croissance au problème de la création d’emploi et donc du chômage. A cette époque, entre 2001 et 2005, il y avait une perte de 40,000 emplois. C’est sans précédent, du jamais vu à Maurice ! *Which is which?*

M. le président, nous comprenons que quand on est dans un parti, on doit se manifester, mais je pense qu’il faut quand même montrer du sérieux ; il faut comparer ce qui est comparable. Si je continue sur cette trempe, je pense que je vais faire trop mal. Je préfère m’arrêter ici pour ne pas aller trop longtemps dans la comparaison.

En ce qui concerne la dette publique, entre 2000 et 2005 - je ne sais pas si l’honorable Li Kwong Wing se rappelle - la dette publique avait dépassé les R 100 milliards et était chiffrée à R 105,4 milliards. Et si on ajoutait les dettes des paraétatiques à cela, on aboutissait aux chiffres de R 120,6 milliards, soit 66%. Voilà un autre résultat. Vous voulez entendre les investissements étrangers, c’est catastrophique ! En 2005, le *FDI* était R 1.8 milliard ; en 2006/2007, comme disait l’honorable Sithanen à l’époque, en un an, il avait fait mieux que plusieurs années auparavant, ensemble avec la gestion MMM/MSM.

Donc, c’est pour cela que quand nous faisons campagne en 2005, pour la reprise du pouvoir, on avait dit que tous les paramètres économiques, à cette période, avaient viré au rouge. Il n’y avait même pas un critère sur lequel on pouvait dire que ce gouvernement a quand même pu sauver la face. Que ce soit l’emploi, déficit budgétaire, dette publique, investissement, ou croissance, c’est zéro. Voilà le bilan de leur gouvernement.

M. le président, comme je disais tout à l’heure, en ce qui concerne le budget du gouvernement, il y a l’empreinte du ministre des Finances. C’est toujours pareil. Il a son style ; il a fait un budget prudent, il faut le dire. Je pense qu’il faut le féliciter pour cette prudence. Parce qu’à l’époque qu’on vit, M. le président, la crise est encore là, ce n’est pas terminée. Même si on a des signes de sortie des crises, la situation est toujours difficile. Déjà depuis 2006, comme on disait tout à l’heure, on a mis sur pied un train de mesures et on est en train de corriger quand il

faut corriger, mais de continuer dans la conjoncture afin de sortir notre pays de la difficulté et de l'amener à un niveau de développement où tous les Mauriciens pourraient s'en réjouir. Il ne faut pas oublier les chocs que nous avons à surmonter. Eux aussi, ils avaient à surmonter, mais malheureusement ils n'ont pas pu les surmonter - le choc du pétrole entre 2000 et 2005, l'élimination de tous les filets de protection, l'accord multifibre, protocole sucre. La situation avait viré au rouge par leur gouvernement comme je disais tout à l'heure.

Pour nous, c'était un choc en plus parce qu'on venait de prendre le pouvoir dans une situation économique où on nous laisse un pays en branle. Cet héritage du MMM/MSM en 2005, c'était déjà un choc ajouté sur d'autres chocs internationaux. M. le président, nous avons courageusement mis en route une politique de restructuration et de réforme. Il y a eu réforme sur le plan économique et financier ; réforme des lois du travail, réforme de l'éducation, réforme dans le domaine de la technologie informatique. Il ne faut pas oublier ce qu'ils ont fait : ils ont pris la solution la plus facile. Quand ils étaient au pouvoir, ils ont voulu faire certains développements, mais comme ils n'avaient pas de moyens suffisants, ils ont augmenté la TVA à deux reprises en l'espace d'un an ; la première fois à 12% et la deuxième fois à 15%. Finalement, ils ont augmenté la TVA par 50%.

(Interruptions)

Le résultat? Vous n'étiez pas revenu au pouvoir! M. le président, si on arrive quand même à dire que nous avons réussi à avoir une résilience de notre économie c'est bien parce qu'il fut un temps où, avec le premier gouvernement du docteur Ramgoolam, on avait mis sur pied ce système de TVA, qui a beaucoup aidé à sortir le pays de la crise. Il faut nous poser la question : Et s'il n'y avait pas de TVA? C'est une décision difficile pour passer au système TVA de la 'Sales Tax'. Heureusement, avec beaucoup de courage, le gouvernement Ramgoolam a permis cette réforme.

(Interruptions)

Je parlais des réformes, effectivement. Il y a eu des réformes de la taxation indirecte, ce qui a permis au pays aujourd'hui de continuer sur sa lancée et de résoudre beaucoup de problèmes qui auraient été insurmontables. Les résultats, M. le président, sont palpables. Le ministre des finances ne peut pas, dans un discours du budget, venir raconter tout ce qu'il a envie de dire. C'est impossible. Il doit faire un tri des projets. Bien sûr, il élabore ses objectifs, le but de son budget, il donne les paramètres de l'économie ; il dit certaines choses qu'il pourrait dire durant le

temps qui lui est alloué. Il y a tant de choses qui sont surement restées au bout de ses lèvres par manque de temps. Mais à travers les paroles mentionnées, les idées émises et les documents associés, les gens intelligents doivent pouvoir comprendre la philosophie de ce budget, et aussi comprendre les moyens mis en place pour pouvoir arriver à atteindre ces objectifs.

M. le président, le ministre des Finances aurait bien pu prendre encore une demie heure pour expliquer tous les grands projets, mais il a dit en très peu de mots ce qu'il a mis à la disposition du pays, en particulier du ministère des Infrastructures publiques et d'autres ministères. Nous savons le grand nombre de développements qui ont eu lieu dans le pays.

Il y aura des développements au niveau du port et de l'aéroport. Je ne vais pas entrer dans les détails, mais ce nouvel aéroport va transformer le visage de l'île Maurice et sera prêt dans six à huit mois. Il y aura une nouvelle piste d'atterrissage avec un aéroport qui serait de la trempe de l'aéroport de Dubai ou de Singapour. L'île Maurice a besoin de cela. On a été en retard là-dessus parce qu'il y avait des difficultés de moyens.

En ce qui concerne les chantiers routiers, les ponts et chaussées c'est un travail énorme – voilà mon collègue, le ministre des Infrastructures publiques qui fait son entrée. Toute l'île Maurice sait le travail énorme qu'a fait mon collègue, le ministre des infrastructures publiques. L'île Maurice s'est transformée en un chantier énorme. Et l'honorable Li Kwong Wing vient dire qu'il y a beaucoup d'embouteillages sur les routes. Le travail n'est pas terminé. Là où on est arrivé, le mauricien sent déjà l'amélioration. C'est palpable. Il veut voir tout d'un seul coup, du jour au lendemain. Malheureusement, ce n'est pas comme ça. Je ne sais pas si dans son système c'est comme ça.

Dans le développement du secteur privé, il y a un peu de retard mais étant donné la crise, il y a des raisons à cela. Mais, je sais très bien que le secteur privé aussi se lance dans de nombreux projets, par exemple, autour de l'aéroport dans la circonscription où je suis élu, il y a un grand développement sur le plan du secteur privé autour de l'aéroport avec le projet AeroVille, un autre projet de l'industrie Omnicane qui va transformer le visage de Maurice. Si on est en train de faire un aéroport, M. le président, où on s'attend à ce qu'il y ait deux millions de touristes dans les années qui viennent en espérant que la crise sera plus à nos côtés, devant nous ou avec nous, il va falloir avoir des infrastructures pour permettre cela et c'est ce qui se fait. C'est un gouvernement qui voit loin et qui fait ce qu'il faut pour que le développement puisse se dérouler. Aéroport, port et bien sûr le chantier routier, le développement privé autour de l'aéroport parce qu'un aéroport

amène dans son sillage de nombreux développements et il faut que les mauriciens arrivent à sauter sur les opportunités.

M. le président, il y a aussi le développement régional qu'on n'en parle pas suffisamment. Déjà le premier gouvernement Ramgoolam avait négocié et obtenu auprès du gouvernement Mozambicain un espace à Mozambique qui a été alloué à l'Ile Maurice. Cet espace est d'une superficie pratiquement égale sinon plus grande que le territoire Mauricien - Ile Maurice 'Land'. Le territoire Mauricien est un grand territoire, maintenant on le sait. Mais quand on compare *the land of the Island of Mauritius*, la terre qui nous a été allouée au Mozambique à l'époque était déjà d'une superficie identique. Vous savez combien de développement on peut faire dedans ! Mais seulement, il y a eu des problèmes qui sont venus petit à petit et ceux-là tous les gouvernements les rencontrent et eux aussi ont été au gouvernement dans la même période juste après nous mais ils n'ont rien fait, alors que nous avons commencé. Aujourd'hui, heureusement, il y a Marromeu qui était une réalisation du premier gouvernement Ramgoolam et qui est toujours là. Ils produisent du sucre, je pense, et je parle sous la correction de mes collègues, mais ils continuent à produire du sucre et ce sont les mauriciens qui sont les propriétaires et qui font le travail au niveau de la gestion de cette usine à Marromeu.

M. le président, je disais qu'il y a beaucoup de développements dans la région et Maurice ne doit pas rater le coche. *Mauritius, Mr Speaker, Sir, should be leading the way, and BOI and Enterprise Mauritius*, deux institutions que je pense qu'il faut continuer à supporter parce qu'ils ont une responsabilité énorme, en particulier, pour le développement dans la région. *These two institutions, Mr Speaker, Sir, the BOI on one side and Enterprise Mauritius on the other, should be leading the way to help us expand our investment base*. Cela va créer la croissance, va être responsable de la création d'emploi parce que c'est un *winwin*; quand on va investir dans la région, on fait des investissements à Maurice aussi et, de toute façon, le profit arrive à Maurice et les Mauriciens vont avoir des postes d'un certain niveau et il va falloir quand même former ces Mauriciens pour qu'ils puissent accepter ce défi.

I was saying, Mr Speaker, Sir, that they should be leading the way to help us expand our investment base by identifying new growth poles, les pôles de croissance by diversifying our export market. C'est très important et je sais que ces deux institutions, en particulier, l'*Enterprise Mauritius* aide les Mauriciens à diversifier leurs produits pour qu'ils puissent - en particulier, les Petites et Moyennes Entreprises - aller investir dans la région et, en particulier, en Afrique.

Also, Mr Speaker, Sir, they should expand our export basket, c'est ce qu'on appelle dans le jargon technique le product offering, qu'est-ce qu'on offre comme produits. Cela aussi il faut l'étendre. Our manufacturing sector, Mr Speaker, Sir, initially we know it focuses on textiles, but, today, with the help of these two institutions, now hi-tech manufacturing activities are being carried out in Mauritius. C'est bon de le dire parce que l'honorable Li Kwong Wing ne va pas venir le dire, ou bien il ne le voit pas, je ne sais pas. Mais, vous savez, M. le président, que dans ce pays on fabrique des *airplane parts*, des pièces pour les avions? Savez-vous qu'on fabrique des *medical devices*? Savez-vous qu'on fabrique des cathéters spécialisés pour l'utilisation au cœur? Ce n'est pas pour le marché mauricien mais pour être exporté dans le monde entier. C'est de très bonne qualité. Venez encourager cela ! De grâce, messieurs les membres de l'Opposition, n'allez pas vous mettre à contre-pieds de ce développement. Le monde se moquera de nous si on n'arrive pas à mentionner tout cela et à supporter et à expliquer comment ceci est valable pour le développement du pays.

But, Mr Speaker, Sir, we will have to develop our manpower for that. Tout ce que je suis en train de mentionner, ce ne sont pas des projets de l'avenir, les cathéters sont faits à Ebène, il faut aller visiter l'institution qui le fait. Les *airplane parts* se font, ici, à Maurice. Il y a d'autres créneaux encore qui peuvent s'ouvrir mais nous n'avons pas suffisamment de Mauriciens formés pour relever le défi. Et je suis responsable, je dois le dire, du *Human Resource Development* du pays et je sens que c'est ma responsabilité d'aller bien vite et c'est ce qu'on est en train de faire.

J'aurais pu parler du *blue economy*, le *green* on en parle déjà depuis quelque temps. Le *blue economy* est encore plus récent. Je dois peut-être faire savoir à mes amis de l'Opposition que soit, ils ne sont pas au courant ou ils le sont mais ils ne veulent pas l'admettre, mais quand on annonce un projet – on avait annoncé le *Land-Based Oceanic Industry* il y a quelques années de cela. Une industrie de cette sorte, croyez-vous, M. le président, que cela peut se faire dans un an? C'est quelque chose qui doit être travaillée à partir du moment où on l'a indiqué et annoncé. Il y a beaucoup de travail à faire et j'ai des amis dans le secteur et je sais qu'il y a plusieurs groupes de personnes qui sont venues et qui ont exploré la situation et nous sommes heureux de dire qu'il y a un groupe très sérieux qui ne va pas tarder et qui a fait ses études de prospection dans la région où il y avait plusieurs concurrents. Ils ont été visités plusieurs pays et ils ont trouvé que Maurice était le pays salubre, pour eux, pour ce type de projet. Donc, on ne peut que leur souhaiter bonne chance et les inviter à venir à Maurice et de réussir dans ce domaine.

Quand on parle du développement de la sorte, ce n'est pas ces petites bribes d'idées que l'on a prises et étudiées et l'honorable Li Kwong Wing peut venir nous critiquer ici et là, ce sont des choses extrêmement valables. Comme je le disais tout à l'heure, M. le président, Maurice n'est pas un petit pays, c'est un grand pays. Je suis en train de faire une présentation pour les enfants dans les écoles pour l'année prochaine et cela va se répéter pour que les enfants sachent et disent à partir de l'année prochaine, non plus comme avant : *'Maurice nou ti pays'* au contraire, *'Maurice nou grand pays'*. Il y a beaucoup de développements à faire dans le secteur maritime et nous avons un espace maritime qui est énorme, je dois dire, par rapport à d'autres pays et c'est l'île Maurice car cela nous appartient. On doit apprendre aux enfants à raisonner différemment et de ne plus raisonner comme des citoyens d'un petit pays et qu'on est un petit peuple. On est un grand peuple et nous habitons dans un grand pays, nous avons un grand territoire et beaucoup de potentiel et de possibilités. Il suffit qu'on soit prêt et qu'on se prépare d'une façon permanente pour faire face aux défis, M. le président.

Mr Speaker, Sir, I wanted to quote a few figures, but I think that I better move to the second part, that is, to talk on education and on training. I wanted to quote a few figures mais je crois que toute l'île Maurice connaît les rangs qu'on attribue à Maurice dans les études du développement, the ease of doing business, etc.

Le ministre des finances, lui-même, personnellement, a été salué pour sa prestation. Il a marqué des points sur le plan mondial parce qu'il est connu comme un ministre des finances hyperactif et qui mérite des salutations de tous pour sa performance dans la gestion de l'économie. Mais je dois dire que s'il y a une chose sur laquelle qu'il n'y a aucune contestation, c'est l'ordre qu'il a mis et les résultats qu'il a obtenus sur le plan des *public finances*. J'ai constaté que pas un seul mot a été mentionné par l'honorable Li Kwong Wing tout à l'heure. Il n'a pas parlé de cela comme si cela n'existait pas, or c'est la partie la plus importante. Le rôle majeur d'un ministre des finances c'est de présenter et de travailler pour que les finances publiques soient des finances saines et pour avoir des résultats valables. Un déficit budgétaire qui arrive aux alentours de 2.2% et si on continue comme cela, on sera dans l'espace de la balance parfaite dans quelques mois. C'est quand même un résultat spectaculaire. Il faut savoir que cela donne confiance, pas seulement à la nation, mais au monde entier. C'est de là qu'on a les résultats sur le plan des paramètres sur lesquels on juge les finances publiques et l'économie de l'île Maurice, c'est là-dessus qu'on arrive à avoir des très bons résultats.

Mr Speaker, Sir, as I was saying, the world scene has undergone fundamental transformation in the past few years and the education sector also, with significant ramification. Twenty years ago, Mr Speaker, Sir, nobody could have foreseen the societal advances that we are today reckoning with, we are witnessing and we are living with... advances being driven by economic and technological breakthrough.

Personne ne pouvait savoir vingt ans de cela que toutes ces transformations allaient avoir lieu. Nous étions là vingt ans de cela. Il y a des enfants qui viennent de naître et qui ne savent pas. Mais nous étions là. Nous ne pouvions pas savoir que telle que la tablette serait utilisée à l'Assemblée Nationale bientôt et que les classes seront transformées en des classes interactives avec le tableau noir disparu, remplacé par les écrans, les *laptops* et les projecteurs; le professeur venant avec son stylet et interagissant avec les enfants à travers ce stylet. Formidable! Le cycle de l'eau, par exemple, expliqué en classe en quinze minutes alors que les enfants de la quatrième avant devaient passer deux ou trois semaines avec les livres, tournant les pages avec des images où l'eau existe dans la nature, dans les lacs, dans les rivières, mais une rivière ne coule pas dans une photo. On voit une rivière, mais cela ne coule pas. Tandis que, maintenant, quand on explique, le prof montre la rivière en classe où on voit l'eau couler. Cela est Maurice d'aujourd'hui et de demain. Mais on ne pouvait pas savoir 20 ans de cela que cela allait venir.

*Today, Mr Speaker, Sir, it is even less possible to envisage - je ne vais pas répondre à ce défi, moi - society as it is likely to be in the next 20 years. C'est par expérience que je parle. Comme certains des mes amis qui sont dans mon groupe, on a connu 20 ans de là, on sait tout ce qui a été fait. On ne pouvait pas envisager et ce n'est pas moi qui vais dire que je sais ce qui va se passer dans les 20 ans à venir. Dans les grand pays, ils ne peuvent pas dire dans les 20 ans à venir dans quel créneau, il y aurait des créations d'emploi. Dans quel domaine il y aura des gens qui vont travailler, qu'est-ce qu'ils vont faire dans 20 ans. Il y a des choses qui vont venir comme cela. Impossible à faire des prédictions. No one can say for sure. Mais seulement *there is one thing which is definitely sure, that it is incumbent, Mr Speaker, Sir, upon education to seek, to envision innovations, including technologies for the development of the future society.* L'éducation, l'éducation et l'éducation! Il n'y a pas à sortir de là. Si on rate ce train, c'est fini pour Maurice. Heureusement qu'il y a un gouvernement qui est sérieux et qui comprend tout cela et qui fait ce qu'il faut pour qu'on ne rate pas ce train.*

There is consensus, however, today, Mr Speaker, Sir, that we need to increase the pool of critical human resources that would help to build the foundation of a new world and become the engine of development. Therefore, Mr Speaker, Sir, it is instrumental to have an educator knowledgeable, healthy, motivated labour force to provide the services needed for a sustained human development. We must no doubt place the onus on education and for such development there are certain challenges. We witness today a matrix in the field of education essentially, inadequate global financing, teachers' shortages, issues of equality and inequity are important. The elimination of poverty also goes through education. There are challenges also, Mr Speaker, Sir, for the funding of inputs to make sustainable development for all a reality. There is a challenge for us to use better and more of science and technology to improve the quality of life of people. To meet these challenges, Mr Speaker, Sir, we have, of course, to generate the means to do it.

Mr Speaker, Sir, what I have just mentioned insofar as education is concerned is, in fact, the message that reverberates across the world in all platforms where educational issues are debated. It is the concern of the EU as much as that of the OECD, Latin America, Asian States. It is also the concern of Africa and this concern was also expressed very recently in Mauritius during the deliberations of the 18th Commonwealth Education Ministers Meeting in the month of August last. These concerns were expressed in a high-level panel set up by the UN Secretary General to make recommendations for what is going to happen in education in the world after 2015. *J'ai l'honneur de présider – parce que la conférence a eu lieu à Maurice – ce comité ministériel du Commonwealth, pour définir ce que doit être l'éducation pour le monde après 2015 et pour les 15 ans à venir.*

Mr Speaker, Sir, I must say that the right to equal opportunity for education is enshrined in most countries' national laws and constitutions, *en particulier aussi pour Maurice.* We, in Mauritius, have always committed ourselves to these international instruments and we have pledged to reinforce the centrality of education to foster development in its multifarious forms.

The Budget 2013, Mr Speaker, Sir, recognises again this fact and lays further stress on it. The increase in the budget allocations for education by 12% and a bit more for education sector is a cogent proof of Government's commitment in this direction. I feel proud to state, Mr Speaker, Sir, that our education reform strategy has been articulated around the concept of innovation *et on en finira jamais de parler de cela: innovation, innovation et innovation.* For the

last few years, a large number of changes have taken place, have been introduced right across the pre-primary, the primary and the secondary sub-sectors. I will not here enumerate all of them, *on en finira jamais*, but I will emphasise on three.

First, the CPE Strategic Review. *Le CPE - c'est le mal qui blesse dans le système*. We have started, I must say, Mr Speaker, Sir, tackling the problem; it is a major concern to all parents and the public at large. My Ministry has been working on the review of the CPE and the exercise is ongoing with a specific goal review, that is, the improvement of performance at CPE. Je n'aurais peut-être pas le temps de rentrer dans les détails, M. le président. C'est très important pour ceux qui s'intéressent à l'éducation car très bientôt je vais faire une présentation à la presse, donc au public, en général, et à l'île Maurice tout entière de ces résultats de CPE parce qu'il y a une chose qu'il faut quand même qu'on corrige dans notre esprit. On parle tout le temps du taux d'échec 30%, il y en a qui disent 35%, il y en a qui disent 38. Mais je vais présenter en détail et puis on va voir que le problème n'est pas aussi compliqué qu'on le croit. Ce n'est pas moi qui viendrai dire que 5%, 10% ou 15% d'échec est acceptable! Jamais. Mais seulement je ne peux pas permettre aussi de dire que le taux d'échec est à 30%-35% quand la réalité est différente. On a fait des études. Et c'est dommage mais j'ai des documents et mon ami l'honorable membre qui s'occupe de l'éducation avec d'autres de l'autre côté de la Chambre, on a suivi les cohortes des enfants qui rentrent à l'école à l'âge de trois ans pré-primaire et cinq ans en primaire. Et on a suivi ces enfants, quand ils viennent en CPE ils passent leurs examens ou non. Il y en a qui passe et il y un pourcentage qui ne passe pas. Et qu'est-ce qui arrive à ce pourcentage qui ne passe pas? On a continué à les suivre, il y a peut-être, dans les 30% qui ne passent pas pour la première fois, mais ces enfants ne sont pas laissés comme cela. Quand on suit la cohorte on voit que le pourcentage de passe arrive aux alentours de 85%. Donc après sept à 8 ans il n'y a pas 30% ou 32% d'échec mais il n'y que 15% d'échec. Bien entendu 15% est 15% quand même mais je vais présenter cela, dorénavant quand on va présenter les résultats pour la CPE on va séparer ceux qui passent pour la première fois et ceux qui seront des *repeaters* et vous verrez que la situation est moins dramatique mais il faut travailler ensemble pour qu'on puisse faire quelque chose parce que qu'est-ce qui arrive à ces enfants qui ne réussissent pas? Mais ils ne sont pas si nombreux qu'on ne le croit.

Je voudrais aujourd'hui prendre cette occasion au niveau de la Chambre pour que ce soit clair dans notre esprit. Les statistiques sont les statistiques, ce n'est pas moi qui parle, ce sont les chiffres qui parlent d'eux mêmes.

Maintenant je vais vous citer une autre petite anecdote. Là on vient de passer par les examens de CPE et j'ai pris le soin de voir les papiers *compulsory*; les langues orientales je dois connaître tout mais l'anglais, le français tout cela on sait. Alors j'ai regardé un peu les questionnaires et j'ai demandé à voir les questionnaires aussitôt que les examens étaient terminés, tous les jours. J'ai vu ces questionnaires, j'ai essayé moi-même de prendre part aux examens de CPE et je dois vous dire, M. le président que ce n'est pas facile! Bien entendu je n'ai pas suivi le programme et si je l'avais fait, j'aurais fait quand même mieux. Je vais vous dire ce qui s'est passé. J'ai pris la compréhension dans le papier d'anglais. J'ai photocopié le questionnaire – que la compréhension, et puis il y a une série de questions avec *les multiple choice questions*. J'ai regardé ces questions et j'ai vu l'une d'entre elles pouvant poser problème ; pas claire, difficile. Alors j'ai pris des experts et des non experts et aussi des officiers de mon ministère, je les ai appelés, un après l'autre, voilà la compréhension, 10 ou 15 minutes pour lire, ils ont bien compris et puis j'ai dit : prenez cette question numéro 8 de la liste des questions et répondez à cette question. Alors j'ai eu 12 personnes qui ont pris part à cet exercice. Douze personnes dont le plus faible avait en poche un certificat de *School Certificate* et le plus fort avait un MBA. Il y avait aussi des détenteurs de HSC, des BA et des BSC etc. C'est un *multiple choice question*, donc on vous donne quatre possibilités de réponse et il faut choisir une seule qui est la bonne - qui est supposée être la bonne. Avec les douze personnes, j'ai eu deux qui m'ont dit 'A', j'ai eu cinq qui m'ont dit que la réponse est 'B' et j'ai eu cinq qui m'ont dit que la réponse est 'C'. Examens du CPE ! Voilà et on vient vous dire qu'il y a des enfants qui échouent aux examens du CPE! Il y a sûrement quelque chose à faire, M. le président, et nous avons mis sur pied des comités pour travailler là-dessus après un forum que j'avais organisé : « Que faisons-nous du CPE? ». Mais je n'ai pas envie de le faire tout seul, j'ai des idées, on a organisé un forum, on a mis beaucoup de choses sur table et puis on a institué cinq comités qui travaillent là-dessus et après ces cinq comités qui ont déjà terminé leur travail, là on va rappeler le grand forum qui va examiner tout ce que les comités ont proposé et puis on va ensemble essayer de tracer la voie de l'avenir pour le CPE. Mais ce que je voudrais faire ressortir à cette chambre, M. le président, c'est le but de cet examen ! Quoi faire avec le CPE?

Dans notre esprit, le CPE doit être un examen qui permet de dire oui ou non : est-ce que l'enfant qui est arrivé à cette classe a les possibilités de continuer en secondaire oui ou non? C'est cela qui doit être le but de cet examen. Cela ne doit pas être un examen qui veut essayer de prendre les enfants et les *channels to the supposedly best secondary schools of the country*. Nous sommes en train de travailler là-dessus et j'attends le forum qui va être organisé au mois de décembre pour qu'on puisse voir la suite des événements, M. le président.

Second thing after CPE review : le kreol mauricien. Je passe vite, parce qu'on connaît que c'est rentré dans le système, c'est une langue qui est maintenant enseignée dans les écoles et qui a été bien appréciée à la fois par les éducateurs comme par les enfants aussi, et c'est arrivé en Standard I cette année en 2012, les enfants du Standard I vont aller en 2013 en Standard II et d'autres vont venir en Standard I. Petit à petit l'oiseau fait son nid comme on dit, petit à petit le créole mauricien fait son chemin dans l'école primaire et arrivé dans quatre ans encore au niveau de classe du CPE, cette langue. Le kreol mauricien aura exactement le *same weightage*, comme on dit, comme les autres langues orientales. C'est pour vous dire le sérieux qui accompagne l'arrivée de cette langue dans les écoles de l'île Maurice.

Le pre-vocational education, M. le président. Ce sont les enfants qui supposément n'ont pas eu de chance pour réussir aux examens du CPE, qui vont à l'école secondaire et là ils ont la possibilité de refaire la classe de sixième s'ils sont dans la catégorie de ceux qui n'ont pas réussi aux examens et ils font deux fois selon l'âge, et la deuxième fois, s'ils échouent, ils ne persistent pas dans l'école primaire, ils vont dans l'école secondaire.

J'ai lancé l'idée, je vais voir ce que vont me dire les honorables membres de l'autre côté de la chambre. Personnellement, cela ne veut pas dire que si l'idée vient de moi cela va se faire. Cela va se discuter, bien sûr. Je crois qu'il ne faut pas qu'on garde ses enfants une deuxième fois après avoir échoué au CPE dans l'école primaire. Je suis parmi ceux qui pensent qu'il faut les laisser aller à l'école secondaire mais, bien entendu, les accompagner correctement pour qu'ils puissent tout en allant en *year 1 prevoc* de refaire le CPE - je vois que mon ami de l'autre côté de la chambre *is noding positively* - je pense que c'est une bonne idée et ces enfants sont psychologiquement atteints, il ne faut pas les abimer d'avantage.

M. le président, je dois dire que le programme maintenant pour *prevoc* qui était de trois ans terminant à 15 ans alors que l'âge de travail est à 16 ans, donc il y avait un an où l'enfant ne pouvait pas venir à l'école secondaire, devait rester à la maison parce que ne pouvait pas aller au

travail, l'âge de travail étant de 16 ans. Maintenant on a étendu les études prévoc dans les écoles secondaires à quatre ans. Ce qui fait que les enfants qui rentrent sortent à l'âge de 16 ans. Ce qui fait qu'on a *bridge an important gap* et puis nous ne sommes pas en train de les garder à l'école mais nous avons changé le système dans le prevoc, ce qui fait que dorénavant, à partir de la deuxième année, il commence à fréquenter pour un certain nombre d'heures à l'école de formation, ce qui est dirigé par le MITD. Donc, à partir de la deuxième année, en troisième année ils vont faire deux jours dans l'école MITD et trois jours dans l'école secondaire et dans la quatrième année, ils vont faire deux jours dans l'école secondaire normale, *mainstream* et puis trois jours dans l'école de formation où ils vont avoir une performance meilleure. Parce qu'on s'est rendu compte que le prevoc tel que c'est pour l'instant ne permet pas à ces enfants de s'améliorer vraiment sur le plan académique et ni même sur le plan vocationnel parce qu'il n'y a pas suffisamment de moyens pour pouvoir les diriger sur le plan vocationnel dans les écoles secondaires alors que cela se fait très bien dans des écoles du MITD.

Donc, ils seront en partie au MITD et en partie à l'école secondaire normale. Ce changement a déjà démarré, M. le président. Ceux qui sont entrés en *Year One* en 2012 sont partis pour un programme de quatre ans, alors que ceux qui sont entrés avant étaient partis pour un programme de trois ans.

Mr Speaker, Sir, education and training is all about planning for the future, and I agree that it is not always possible to have long-term planning, things tending to change so fast in our modern times. *Mais il nous faut quand même jeter les jalons pour un demain encore meilleur.* The 21st century demands a new mindset, new knowledge, a new set of skills, so as to be able to adapt and adjust to a fast evolving environment. The Budget, Mr Speaker, Sir, rightly emphasises, and I quote -

“Mr Speaker, Sir, our education system is the bedrock upon which our society and economy has been built.”

To consolidate that function of education, Mr Speaker, Sir, there are a few challenges - I mean thrust areas - that I would wish to emphasise upon. First of all, we have to address the question of relevance and sustainability, which is perhaps the best way in which we can make our education system relevant to the context it is meant to serve. Indeed, all education systems, Mr Speaker, Sir, have to go through a rethinking and have to readjust in the light of transformations that a society undergoes.

So, we have first of all, what we can call, curriculum issues. Vous savez, M. le président, le curriculum a changé dans les écoles; primaire mais surtout secondaire. Nous avons établi un *National Curriculum Framework*, et ce que je vous dis, M. le président, est déjà *on*. Ce n'est pas quelque chose à venir. Déjà, depuis deux ans, le pré-primaire à son *National Curriculum Framework*, le primaire et le secondaire aussi. Ce qui veut dire que quel que soit l'école qu'un Mauricien fréquente - pré-primaire à Cap Malheureux, un autre pré-primaire à Baie du Cap - ils ont le même curriculum de base, et les profs ont plus ou moins les mêmes qualifications. On a veillé, et on a réussi à faire que les profs peuvent changer d'une école à l'autre sans causer de problèmes. Un enfant de Cap Malheureux quitte le pré-primaire, par exemple, au quatrième mois et vient à Baie du Cap, peut continuer le programme sans problème, parce que nous avons un *National Curriculum Framework*; les profs savent ce qu'il faut faire, l'école sait ce qu'il faut faire, l'enfant est dans la classe, et le programme se déroule selon un temps presque identique dans l'ensemble du pays. Je peux répéter la même chose pour le primaire et le secondaire. Donc, le *National Curriculum Framework* a déjà été établi.

Puis, il y a eu un élargissement du curriculum. Par exemple, en secondaire nous avons des sujets comme *Travel and Tourism* qui n'existait pas il y a quatre ou cinq ans de cela. Nous avons des sujets comme *Marine Biology*, *Science for All*, et *Physical Education* est devenu un sujet *examinable*. Il y a des enfants qui peuvent prendre *Physical Education* pour le *School Certificate*, d'autres *Travel and Tourism*, d'autres *Marine Biology*, et d'autres *Science for All*. C'est un sujet scientifique, mais pour une population d'enfants sur le plan général - pas spécialisé. *All these are examinable subjects and run by Cambridge.*

Mr Speaker, Sir, I hardly need to emphasise the importance that we are attaching, as I said in the beginning, to the blue economy, and studies in Marine Biology, *que je viens de mentionner*, will go a long way towards strengthening the professional capacity of our students. On parle d'innovation, on parle de l'intérêt pour la science. Laissez-moi dire quelque chose qui va intéresser tous les membres de cette Chambre. I am proud to state that, in an attempt to give a fillip to science, which is at the heart of innovation, there will soon be special floats and drifters - floats qu'on va plonger dans l'océan - which we can call commonly a laboratory. C'est un laboratoire qui sera plongé dans l'océan.

These floats and drifters are being initially provided to some 100 secondary schools, and they are going to collect real time data from there through a system call Argo, which is an

observation system for the oceans of the earth. Chaque école aura son *float*, donc son laboratoire à distance qui pourra interroger vingt-quatre heures sur vingt-quatre pour avoir des *data*; des *data* extraordinaires. J'aime bien la science, et j'aime bien les innovations. Vous avez, par exemple, les températures du globe; *it's observation of the globe* à travers les océans. Ces enfants vont pouvoir faire des études et, à travers tout ce qu'ils pourront recueillir comme *data*, ils pourront prévoir la météo du lendemain, par exemple, et pouvoir dépister le début, la naissance des cyclones. Ils pourraient considérer les mouvements, les courants d'eaux, et voir qu'est ce qui va dans quel sens. C'est vraiment extraordinaire. Chaque école aura son *float*, donc son laboratoire, et ce laboratoire va porter le nom de l'école. Donc, Queen Elizabeth College à Rose Hill aura ce *float* peut-être dans le début de l'Atlantique. Une école dans le nord, Lady Sushil, aura son *float* peut-être de l'autre côté du Pacifique. Les enfants vont savoir où se trouve leur *float*. Il y a un navire qui est en train d'implanter ces *floats* un peu partout dans l'océan. Le navire est en communication avec moi pour l'instant. Mais, bientôt, à partir de janvier, il sera en communication avec les enfants des écoles. Et bien sûr, on va provoquer les enfants, et on va les mettre en compétition les uns contre les autres. S'ils veulent prendre le cas de la météorologie, toutes les écoles doivent pouvoir recueillir les data et puis faire leurs prévisions pour le lendemain. Et quand le lendemain arrive, on va voir qui avait raison et qui avait tort. Donc, ils se jugent par eux-mêmes, et c'est formidable. Ça c'est l'innovation dans les écoles, et ce qu'on veut faire pour la science.

Entrepreneurship education, je ne vais pas entrer dans les détails. L'année prochaine, on démarre l'*entrepreneurship education* dans les écoles secondaires à deux niveaux. Form I, Form II et Form III, les matières sont obligatoires. Tous les enfants de Form I, Form II, et Form III font tous les sujets obligatoirement. Il n'y a pas de choix. Il n'y a pas un qui va dire - 'que je vais faire science', l'autre dit que - 'je vais faire géographie ou 'je vais faire littérature'. Non. Toutes les matières pour tout le monde. Dans ce travail de trois ans, il y aura donc l'introduction de *entrepreneurship studies*. Ce qui veut dire que tous les enfants du secondaire, donc tous les enfants du pays qui vont à l'école secondaire, seraient obligés d'apprendre *entrepreneurship education* au moins pour trois ans. Puis, arrivé en Form V, ce sera un sujet optionnel ; s'ils veulent aller un petit peu se spécialiser. En Form VI, encore une fois ce sera optionnel ; s'ils veulent prendre ça comme un sujet pour *Higher School Certificate*. Mais, dans la première année du HSC, ça va redevenir obligatoire pour tous les enfants, parce que ce qu'on aura appris en

Form I, Form II, et Form III et à un certain niveau. Mais, en HSC, il y aura trente à quarante heures de *entrepreneurship education* pour les jeunes qui seraient presque en train de se préparer pour aller dans le monde du travail. Un an après, ils vont se trouver dans ce monde s'ils ne veulent pas faire des études tertiaires; ils pourraient avoir toutes les notions nécessaires concernant tous les aspects de l'entrepreneuriat. C'est là qu'on pourrait dire qu'on est en train de transformer Maurice en une nation d'entrepreneurs. *To make them learn to stand on their own feet.*

Mr Speaker, Sir, we have also the workplace programme where students from schools now are placed during the course of their studies - les enfants de Lower VI en particulier - dans des entreprises. Il y a un bon nombre d'étudiants qui ont déjà démarré depuis deux ou trois ans. Chaque année on a quelques centaines d'étudiants qui sont placés en entreprise pour qu'ils puissent avoir une notion de ce qu'est l'entreprise.

*Mr Speaker, Sir, there is also the question of qualitative improvement of the system, Quality Assurance; cela est une faiblesse. En ce qui concerne l'éducation au secondaire en particulier, nous n'avons presque pas d'inspecteurs pour visiter les écoles. Bon, je ne vais pas entrer dans les détails, qui a tort ou raison; cela existait dans le passé, mais cela n'existe pratiquement plus. En primaire, cela existe. Il y a un inspectorat où les inspecteurs vont sillonner les écoles pour voir ce qui se passe ; ils dirigent et donnent des conseils aux éducateurs et aux maîtres d'écoles. Mais pour le secondaire, cela n'existe pas. C'est une grande faiblesse. C'est pour cela que je remercie l'honorable ministre des finances de nous accorder 12 *Quality Assurance Officers*. Il y a une cellule qu'on a déjà montée au niveau du ministère. On va la renforcer avec ces *Quality Assurance Officers* pour qu'on puisse démarrer ce travail correctement. Il faut que ces personnes aillent dans les écoles pour voir un peu ce qui se fait. Cela aussi couvre le domaine de la discipline dans les écoles.*

*If I have to speak of infrastructure, je dois résumer tout cela en une seule phrase, M. le président, pour dire que, comme le *National Curriculum*, l'infrastructure, aussi bien que pour le primaire et le secondaire, on essaie - je dis bien on essaie - parce que nous avons des écoles qui datent de plusieurs dizaines d'années. On n'arrive pas à faire tout ce qu'on veut dans toutes les écoles. On essaie de donner les mêmes types d'infrastructures dans toutes les écoles de Maurice. De nouvelles écoles sont construites. Par exemple, des toilettes sont transformées. Je ne peux dire à 100% mais au moins pour les écoles en construction, dans 100% des cas, les toilettes ont*

des facilités pour les handicapés. Ce n'était pas le cas avant. Donc, si on considère le cas dans une école ou un collège qui date de 20 ou 30 ans, les toilettes ne sont pas équipées pour recevoir des handicapés. Or, il se peut qu'il y ait des handicapés dans ces écoles. On a essayé de trouver des moyens mais ce n'est pas la même chose quand on fait une nouvelle construction car on prend cela en considération et on donne les facilités nécessaires. Ce qui est important à noter, c'est qu'il y a à peu près les mêmes types infrastructures dans toutes les écoles. On est en train d'ouvrir les écoles, surtout les infrastructures des écoles à la communauté des environs. Les gymnases peuvent être utilisés par la communauté après les heures de classe. Le terrain de foot et le *computer lab* peuvent aussi être utilisés sous certaines conditions bien sûr, mais on a accepté d'ouvrir à la communauté des environs, de leur donner la possibilité d'utiliser les infrastructures des écoles.

M. le président, il y a un *new loan scheme* qu'on a mis sur pied pour les *private secondary schools*. Je passe sur les détails mais pour vous dire que c'est quand même quelque chose d'extrêmement valable. Il y a un cas qui est allé en cour et c'est cela qui nous a fait réfléchir. Par la suite on est venu avec ce *loan scheme* qui permet aux écoles secondaires de transformer leurs infrastructures, d'améliorer leur système de modernisation, le *computerisation of schools*, etc.

Mr Speaker, Sir, another point I wish to lay stress upon is what I call Embedding Technology. J'irai vite parce que j'ai déjà mentionné les changements dans les salles de classe. *The hon. Vice-Prime Minister, Minister of Finance is right. Unless we are careful, educational inequities can lead to a widening of the digital gap.* Il faut faire tout ce qu'il faut pour qu'il n'y ait pas de division digitale. Il faut donner des possibilités pour que chaque enfant de ce pays ait la possibilité de suivre le train. We want the classrooms of the future, Mr Speaker, Sir, to be modern ones - *je viens d'expliquer tout à l'heure, cela grâce à la transformation digitale qui se fait dans les écoles.* I wish to thank my colleague, the hon. Minister of Finance for providing us with the means to consolidate technology in our schools, and our hon. Prime Minister also for his support and conviction that technology in education is a crucial lever for the transformation of our schools in the 21st century.

Mr Speaker, Sir, over the past years my Ministry has already initiated a number of measures to usher in a culture of ICT in education. J'ai entendu l'honorable Li Kwong Wing tout à l'heure et je crois qu'il n'est pas du tout au courant. Il parlait des livres qui devaient être achetés encore à l'heure qu'on est en train de parler, mais non. Je dois dire que si l'honorable Li

Kwong Wing va dans la classe de quatrième, il verra que les livres sont encore là, mais les enfants n'ont pas besoin des livres parce que tout a été transféré dans le langage électronique, que ce soit pour l'anglais, le français, la géographie, l'histoire ou la science. En fait, pour tous les six sujets. Cela a été transformé. Je félicite nos compatriotes qui travaillent au MIE pour avoir réussi cela. J'avais démarré cela en croyant qu'il fallait l'expertise étrangère et j'ai fait de sorte qu'on ait une expertise étrangère. Cela nous a coûté R 16 millions. Nous avons un contrat avec une institution française qui est entrain de continuer le travail - comme nous avons un contrat, il faut qu'ils travaillent. Nous y avons branché les spécialistes du MIE - ceux qu'on considère comme spécialistes - pour faire ce travail et je dois vous dire fièrement qu'ils ont dépassé les français dans ce travail. Leur rendement est nettement meilleur. Qu'est-ce que c'est que ce travail? C'est d'essayer de prendre tout ce qui se trouve dans les bouquins des enfants, dans le *hard copy* et de mettre cela en langage électronique parce que bien sûr on ne peut pas mettre le livre dans le *computer*. Il faut mettre un CD. Ils ont travaillé tout cela. C'est cela que je vous disais tout à l'heure, quand vous allez suivre le cycle de l'eau, vous allez voir tout cela vivant et vous allez voir la pluie tomber dans la classe sur l'écran. C'est comme ça que les enfants apprennent maintenant. Mais c'est uniquement dans la classe de quatrième pour l'instant. A la fin de l'année, ce sera la même chose pour la classe de cinquième. Cela fait deux classes. L'année prochaine on va faire la même chose pour la classe de sixième. Peut-être qu'on ira plus vite parce que la France a promis de nous aider. La France nous a donné un certain nombre d'appareils et continue à nous envoyer des donations. L'honorable ministre des finances a mis dans le budget une enveloppe valable je dois dire, ce qui me permettra d'aller encore plus vite que ce qui a été prévu.

Mr Speaker, Sir, I want to say a few words on the Winter/Summer School. C'est déjà une réalité. L'année dernière, l'honorable ministre des finances, à l'occasion de son budget - bien sûr, vous n'étiez pas là, M. le président - avait annoncé le *Summer/Winter School*. Bien entendu, un ministre des finances, avant d'annoncer quelque chose, il travaille dans son ministère, il étudie. Il en avait discuté avec moi et aussitôt le discours du budget terminé, nous nous sommes mis au travail et trois semaines après le *Summer School* a vu le jour. C'est déjà quelque chose de concret. Ce fut un tel succès. C'était annoncé comme *Summer School* mais nous l'avons transformé en *Summer/Winter School* parce que quand on est en *winter*, aux mois de juillet/août, il y avait le *Winter School*. Donc, c'est le même principe. C'est là qu'on a vu l'importance de ce

repas chaud parce que durant le *winter school* cela avait démarré. Ce repas chaud attire les enfants et incite les parents à envoyer leurs enfants à l'école. Certains parents n'envoient pas leurs enfants à l'école parce qu'ils ont des difficultés à pourvoir aux besoins de leurs enfants, que ce soit pour la nourriture, les matériels scolaires, etc. Ils pensent qu'il y aurait des différences entre les enfants et c'est cela qu'on a comblé. L'honorable ministre des finances, fort de ces résultats, a proposé ce *hot meal* aux enfants des *ZEP schools*. Je voudrais le féliciter pour cela et le remercier aussi.

Mr Speaker, Sir, we have catered also for special needs children. On rencontre encore certaines difficultés. On a fait beaucoup de progrès mais il y a encore beaucoup à faire. Je ne vais pas entrer dans les détails, mais peut-être à l'occasion du *Committee Stage*, des questions seront posées et on pourrait donner des réponses ponctuelles. Je dois dire qu'on a six *integrated units* already set up during the course of the year - and probably before also - to cater for the different disabilities ; six integrated units dans les écoles même. We have eight new SENS (Special Education Needs Schools) that have been registered in 2012, bringing the total to 56.

Mr Speaker, Sir, insofar as Special Education Needs Schools are concerned, the drivers are the teachers and to this end, the Ministry is investing on the improvement of skills and competencies of the staff working with children. With the assistance of European Union, a Trainers' workshop was organised for 35 professionals with the objective of enhancing capacity building in the SENS sector with focus on visual impairment, hearing impairment and dyslexia. So, this is something very important. Moi, je suis très attaché à cela et je compte faire tout l'effort nécessaire pour que ces enfants qui ont des besoins spéciaux soient considérés comme des écoliers à part entière. Il y a aussi des écoles spéciales qui sont déjà prêtes et pour lesquelles on attend le matériel nécessaire pour des cas spécifiques.

Mr Speaker, Sir, regarding training - let me have a last word on training before ending, Mr Speaker, Sir – we have what we call Technical, Vocational and Educational Training (TVET). There also, we want to transform Mauritius into a turning point for training. First of all, I must inform the House that under the Australian Scholarship Scheme in May and September 2012, beneficiaries of Scholarship Scheme from African region, came to Mauritius to get an insight into our inherent TVET training, and it was an opportunity for us to showcase the high standard of TVET training, which is offered in Mauritius, and we are doing so well. L'école Sir Gaëtan Duval plays an important role to provide high-level training in hotel and hospitality management.

There is a Memorandum of Understanding, which has been entered with Lycée Technique and Hôtelier Monte Carlo, best students of École Hôtelière are offered the opportunity to go on attachment to Monaco, be exposed to latest development in hotel and tourism sectors. And our objective is to provide training to the workforce, to enhance skills not just for the local market, but for the international market to seize opportunities from an increasingly globalised economy. *C'est ça que je disais au commencement, il nous faut préparer nos mauriciens pour qu'ils puissent avoir les skills nécessaires pour aller dans la région.*

Mr Speaker, Sir, TVET is a critical component of the education and training system. It aims at creating an alternative learning pathway both for young people that leave the school system prior to completion, and for those wishing to progress to a more advanced skill level. In this regard, we are re-engineering the MITD into a more effective institution, which can meet the daunting challenges and the expectations of our stakeholders. This is underway. We do not want the MITD to be viewed merely as a provider of basic training. It is the ambition of my Ministry to confer to the MITD an enhanced status, visibility and prestige.

Moreover, we want the MITD to become a regional centre of excellence. We have already embarked on that, providing training of trainers' programmes for emerging economies in the southern and eastern African regions. *Ça se fait, à Maurice on a un centre régional d'excellence pour la formation et les pays de la région nous envoient leurs éducateurs pour être formés.*

Now, Mr Speaker, Sir, it is common knowledge that the MITD offers skills oriented and recognised training programmes, especially at diploma level. These programmes are being offered only to our Mauritian students, but we envision to transform the MITD into a provider of training for the region. Pourquoi ne pas former les étudiants qui veulent venir à Maurice comme on fait pour les universités dans le tertiaire, es universités pour former les étudiants étrangers qui veulent venir faire B.A., B.Sc. en table des matières, pourquoi ne pas former ces étrangers dans le domaine de la formation? Et je suis sûr que tous ces pays Africains, que ce soit anglophones ou francophones qui ont des problèmes de formation, ils sont nombreux, ils seraient plus aptes à venir pour la formation même que pour des études tertiaires académiques. C'est un créneau qui s'ouvre.

We want to become a provider of training for the region. Such programmes will be dispensed by the MITD for students coming from regional countries and provision will also be made to facilitate their stay in Mauritius, of course, parce qu'ils viennent pour un minimum d'un

ans, un maximum de trois ans, peut-être même plus. Donc, on serait obligé de les loger aussi à Maurice, mais ça va se faire comme ça se fait pour les universités. These programmes, Mr Speaker, Sir, will create new pathways for students wishing to join degree level programmes with MITD diploma level qualifications, acting as a springboard for further studies and by so doing, the MITD will be in a position to bring its contribution to the development of the mass of critical skills required at regional level and, at the same time, enhance its revenue-generating capacity. La région aura à être reconnaissante à l'île Maurice pour se lancer dans ce domaine de la formation pour la région pas seulement pour l'île Maurice.

M. le président, pour terminer, je dois dire, en deux mots, that we need a legal and institutional review also in our planning. We are working on the review of the Education Act. This has already been mentioned. I have no time to go into the details. My Ministry has already started consultations with relevant stakeholders for the review of this Act. We are also working on the review of the role and function of the PSSA. C'est à la une. On en parle beaucoup. Et je pense que le temps est venu pour nous d'aller dans cette direction.

Mr Speaker, Sir, our thrust is policy dialogue with stakeholders. Je travail de concert, je discute, j'écoute beaucoup et puis on prend des décisions. Donc, c'est important de savoir que les stakeholders are all taken on board. Il y en a certains qui peuvent grogner de temps en temps, mais, en général, on les prend tous, on écoute à tout ce qu'ils veulent dire ou disent et on essaie de trouver the best way forward.

We all know that democracy, Mr Speaker, Sir, dictates the need to have a meeting ground for policy measures to be effective. Conceptual policies from the top have to be complemented by information and informed views cross-sectorally and from those at the grassroots. For reforms to be meaningful, Mr Speaker, Sir, consensus building has to be a workable reality since consultations help define and fine-tune decisions as well as consolidate recommendations. It cannot be otherwise in a country like ours where education is the concern of all and the parents ascribe a high premium on education as a harbinger of professional development and social mobility.

Mr Speaker, Sir, my Ministry has a culture of consultations and, as I said, we did it for *Kreol Morisien*, we did it for *Bhojpuri*, we did it for pre-voc strategy, we are doing it for the review of the CPE and we have done it also for the formulation of the Human Resource Development Plan.

The Budget, Mr Speaker, Sir, recognises the need to go further and adopt a more permanent and structured mechanism in the form of what has been mentioned as *les assises de l'éducation* which will represent a proper platform to develop sector priorities with the active participation and involvement of stakeholders. This will facilitate building of national consensus, policy coherence and smooth implementation.

Moreover, this platform, Mr Speaker, Sir, will enable better interaction and partnership between academia and industry as well. I could dwell lengthily on that, but it is a major concern of the Ministry of Education, even the Ministry of Tertiary Education that a good link be created between academia and industry.

En conclusion, M. le président, permettez-moi de vous dire que dans ce temps de crise internationale, pas terminée encore, en espérant qu'on a commencé à voir la lueur au bout du tunnel, étant donné les grands défis environnementaux, nos concurrents qui sont nombreux et solides aujourd'hui, qui ne fut pas le cas quand on avait commencé la diversification de notre économie à partir d'une économie *monocrop* pour aller dans le textile, le tourisme et l'offshore. A ce moment-là, nous avions un *edge*, maintenant nos concurrents sont nombreux dès le départ. Vous voulez démarrer l'industrie informatique, mais vous n'êtes pas plus fort que l'Inde alors qu'on l'était dans le domaine de textile. Vous n'êtes pas plus fort que Sri Lanka, on l'était dans le domaine de textile. Vous n'êtes pas plus fort que la Chine, c'est le géant d'aujourd'hui et de demain. Donc, étant donné tous ces grands défis, le moment, M. le président, n'est pas au balbutiement de l'Opposition. J'ai entendu l'honorable Li Kwong Wing, il ne m'a pas fait grand impression, malheureusement. Je ne vais pas revoir ma copie parce que il restera quand même mon ami, mais notre philosophie, M. le président, c'est de continuer à améliorer les paramètres économiques et financiers. J'ai félicité le ministre des finances pour avoir réussi cela. Les finances du pays sont saines. Il faut continuer à établir des priorités dans le développement, *green economy*, *blue economy* bien sûr. Il faut continuer à investir dans l'éducation et la formation. J'avais commencé à dire éducation, c'est la clef du succès de l'île Maurice. Il faut, bien entendu, malgré tout cela, trouver des moyens pour maintenir le pouvoir d'achat des mauriciens et ne pas oublier les loisirs. Tout cela se trouve dans le budget 2013. Il ne faut pas oublier les loisirs parce que ça fait partie de la qualité de vie des mauriciens. Je félicite encore une fois le ministre des finances et je vous remercie, M. le président, pour votre attention.

Mr Speaker: I suspend for 25 minutes.

At 4.34 p.m. the sitting was suspended.

On resuming at 5.03 p.m. with Mr Speaker in the Chair

Mrs F. Labelle (Third Member for Vacoas and Floreal): M. le président, nous voici au deuxième budget du présent ministre des finances mais le septième budget consécutif d'un gouvernement sous le *leadership* du Premier ministre, le docteur Navin Ramgoolam.

M. le président, après sept budgets consécutifs, on a le droit de s'attendre à des résultats concrets sur certains sujets, particulièrement des sujets qu'on retrouve dans chacun de ces sept budgets consécutifs. Est-ce le cas? Je prendrai pour ma part, M. le président, un seul de ces sujets qu'on retrouve dans les sept budgets pour voir avec cette auguste assemblée où nous en sommes; où nous en sommes avec des sujets qu'on retrouve depuis 2006 dans chaque budget. J'ai mentionné, M. le président, l'éradication de la pauvreté.

M. le président, en disant le mot «où nous en sommes», cela me renvoie à une déclaration faite par l'honorable ministre des finances dans les médias et dans cette chambre à l'effet que 91% des mesures annoncées dans son budget de l'année dernière a été implante. Allons donc! Mon collègue et ami, l'honorable Kee Chong Li Kwong Wing, en a parlé un peu plus tôt. Pour ma part, en entendant cette déclaration, je me pose certaines questions. Est-ce, parce que 91% du budget de l'année dernière a été implanté, que nous avons, je cite le budget lui-même: «*an increasing number of households requiring assistance*» sous le ministère de l'intégration sociale? Est-ce, parce que 91% du budget a été implanté, qu'on se garde bien de dire combien de nouvelles crèches ont été mises sur pied? Si vous regardez le budget, on vous dit qu'il y a huit crèches qui sont opérationnelles mais on ne vous dit pas combien de nouvelles pour 2012. Regardez le budget de l'année dernière, on vous parle de six crèches qui étaient opérationnelles. Donc il n'y a eu que deux nouvelles crèches pour l'année 2012 et cela à travers le CSR. C'est cela qu'on appelle 91% du budget a été implémenté. Est-ce, parce que nous avons implémenté 91% des mesures, que le National Housing Trust Scheme annoncé dans le budget de 2012 n'a fait qu'identifier un terrain pour la construction de cinquante unités de logement. C'est cela qu'on appelle l'implémentation à 91%. M. le président, est-ce que parce que 91% des mesures a été implémenté que ce gouvernement a dépensé seulement neuf millions sur quarante et un millions pour le *special education needs of school age children*. Je cite M. le président, le budget, les documents publiés mais j'ai constaté tout à l'heure l'hésitation du ministre de

l'Éducation, pour ne pas dire l'embarras, quand il parlait des enfants aux besoins spéciaux. R9.4 millions sur R41.4 millions - c'est cela que nous appelons 91% du budget implémenté.

M. le président, qu'en est-il de la féminisation de la pauvreté? Quand je parle de la féminisation de la pauvreté, tout le monde sait que c'est en hausse. Permettez-moi d'ouvrir une parenthèse. Au cours de ces douze dernières années où j'ai assisté au discours du budget, c'est la première fois que le mot 'femme' est mentionné seulement trois fois et cela aussi c'est en passant qu'on a mentionné le mot 'femme'. Dans ce discours du budget, il n'y a pas une seule mesure annoncée pour la femme mauricienne. L'année dernière, dans son discours, au moins il y avait une mesure annoncée et je suis certaine que d'autres de mes collègues auront le loisir d'approfondir ce sujet. Je disais donc M. le président, que lorsqu'on entend le ministre des finances dire que 91% de son budget de 2012 a été implémenté on ne peut qu'être surpris pour dire le moins. Si, avec une implémentation de 91%, nous nous retrouvons avec une augmentation du nombre de personnes qui ont besoin d'assistance comme déclaré dans le budget lui-même, cela veut dire que les mesures prises pour s'attaquer à ce problème n'ont pas répondu à un besoin; que les mesures prises étaient mauvaises et cela a été un échec ou on n'a pas implémenté - de deux choses l'une. Mais M. le président, il y aussi d'autres problèmes qui se sont aggravés: la drogue; la corruption; la diminution du pouvoir d'achat; les abus contre les enfants: abus physique, psychologique, sexuel; la prostitution particulièrement la prostitution infantile; la violence. J'ai rencontré quelques jours de cela, M. le président, la dame qui avait eu son poignet sectionné à Rose Hill la rue Prince de Galles à quatre heures moins le quart de l'après midi. Cette dame me parlait. Elle sortait de l'hôpital. Elle a subi des opérations etc. A Rose Hill la violence! Law and order, M. le président! Est-ce, parce que le budget de 2012 a été implémenté à 91%, que de nos jours les *bouncers* remplacent les policiers. Vous l'avez peut être remarqué. M. le président, de nos jours, ce sont les *bouncers* qui s'occupent de la sécurité dans les manifestations publiques; les concerts, aux abords des boîtes de nuit, au champ de mars et j'en passe. Vous avez dit 91% du budget implémenté? Ma liste de questions est longue, je m'arrête ici, M. le président, pour retourner sur le sujet que je souhaite traiter -l'éradication de la pauvreté.

M. le président, permettez moi une citation que je fais mienne.

«(.)je suis de ceux qui pensent et qui affirment qu'on peut détruire la misère.

Remarquez-le bien, je ne dis pas diminuer, amoindrir, limiter, circonscrire, je dis détruire.

La misère est une maladie du corps social comme la lèpre était une maladie du corps humain; la misère peut disparaître (...)

Détruire la misère ! Oui, cela est possible!»

C'est une citation de Victor Hugo faite à l'assemblée législative le 09 juillet 1849 et Hugo est cité par Xavier Godinot.

Oui, M. le président, je crois - c'est un acte de foi - qu'on peut détruire la misère mais pour cela, nous avons besoin des législateurs et des gouvernants qui y croient et agissent. Des déclarations d'intention ne sont pas suffisantes, M. le président. Je dois dire, M. le président, que j'avais quelque espoir lors de la mise sur pied du ministère de l'intégration sociale en 2010. La National Empowerment Foundation (NEF) faisait un travail et j'ai osé penser qu'un tel ministère apporterait un plus au travail de la NEF mais la rapidité avec laquelle certains changements ont été apportés au cours de la courte existence de ce ministère me bouleverse. Si au début, il y avait, je le reconnais, un certain signal que les enfants des familles vulnérables seraient une priorité, certains changements, pour ne pas dire chamboulements, me font comprendre que tel n'est pas le cas. Je vous donne un exemple, M. le président. Il est dit dans le budget 2012, à la page 567 –

« The National Empowerment Foundation has been restructured along four pillars, namely, child and family development, placement and training, social housing and community empowerment. Furthermore, the programmes under the child and family development pillar have been consolidated to provide maximum support to ensure the welfare of vulnerable children and their families”.

C'est le budget 2012. Dans le Budget 2013, nous constatons –

« Restructuring the NEF along three pillars, namely, child welfare and family development, placement and training, social housing and community empowerment.”

Je pense qu'on a combiné *social housing and community empowerment* pour faire un pilier. Je ne sais pas trop. Probablement, le ministre va nous apporter quelques précisions.

M. le président, lorsqu'on regarde de près, premièrement, on avait parlé de *Child and Family Development*, ensuite *Child Welfare and Family Development*. Le premier pilier de la liste démontre, à mon humble avis, le peu de sérieux qu'on accorde au développement de l'enfant et du bien-être de la famille. Je m'explique. Est-ce que nous parlons du développement de l'enfant et du bien être de la famille parce qu'on parle de *child welfare and family development*. Si nous ne savons pas de quoi on parle, comment mettre des programmes

appropriés? Lorsqu'on parle de *welfare* - si c'est vrai que c'est le *welfare* qu'on parle, je ne sais pas - pour certains c'est peut-être organiser une sortie pour l'enfant, l'emmener quelque part et, très souvent, à la fin de l'année financière ; c'est peut être cela, tout simplement, le *child welfare* et, donc, on ne parle pas du développement de l'enfant. J'ai cru comprendre, M. le président, qu'avec la restructuration régionale du NEF, comme annoncé dans le budget, le *Child and Family Development Programme* n'est plus une entité en soi, comme c'était au départ, sous la responsabilité d'un officier et aussi surprenant que cela puisse paraître, cet officier qui avait la charge de cette unité - j'ai toutes les raisons de croire que cet officier a une expérience considérable dans le *Child and Family Development* parce que l'officier sort du ministère concerné - reste à la NEF et cela malgré le manque aigu du personnel du ministère du genre, du développement de l'enfant et du bien être de la famille. L'officier reste pour s'occuper de la migration circulaire. Est-ce de cette façon qu'on vient démontrer dans les faits que le bien-être de l'enfant et de la famille est une priorité pour ce gouvernement? Oui, ce ministère fait des choses pour les enfants. Le ministère donne du matériel scolaire, un repas à certains enfants. Mais, M. le président, la NEF, et avant c'était le *Trust Fund*, le faisait. D'ailleurs, la NEF demeure l'*executive arm* de ce ministère.

En effet, quand vous regardez le personnel attaché à ce ministère, il y a que le personnel administratif. Le *Permanent Secretary*, le *Permanent Assistant Secretary*, le *Assistant Secretary* et le *Finance Officer* etc. Vous n'avez qu'un personnel administratif attaché à ce ministère et, sans ce personnel administratif, la NEF faisait le travail. Donc, arrivé à ce stage, je me pose la question du pourquoi de ce ministère. Il n'y a pas un seul psychologue, un seul sociologue, un seul *social officer* sur cette liste. Il n'y a rien comme personnel qualifié pour faire le travail auquel ce ministère est dédié. Oui, il y a le personnel de la NEF. Qu'est-ce que le ministère fait? Le personnel de la NEF existait avant la mise sur pied de ce ministère. Donc, j'ai des difficultés. C'est une plaisanterie que de dire que nous avons un ministère de l'Intégration sociale où on essaie de leurrer les gens qui ont le plus besoin de nous et la société, bien sûr, dans son ensemble.

Par ailleurs, M. le président, il y a une contradiction déconcertante entre ce qui est dit et ce qui est fait ou ce qui se fera en 2013. Si vous regardez à la page 582 du budget, comme je l'ai dit auparavant, une des contraintes à laquelle le ministère doit faire face c'est le nombre croissant des familles qui demandent de l'assistance. Quand vous regardez à la page 587, M. le président, toutes les dotations pour les différents programmes sont en nette régression. D'une part, vous

avez un nombre croissant de familles qui ont besoin d'assistance, d'autre part vous diminuez les dotations. Par exemple, M. le président, le *Child Welfare and Family Development Programme for Vulnerable Groups* passe de R 126 millions à R 109 millions pour 2013. Et ces R 109 millions inclut un nouveau item, le *Child Allowance to Needy Students* à R 50 millions.

Donc, si dans les R109 millions, vous enlevez cet item au coût de R 50 millions, il vous reste R 59 millions. Sortant de R 126 millions, nous passons à R 59 millions et vous me dites qu'il y a un nombre croissant de personnes qui ont besoin d'assistance. Je suis certaine que le ministre aura l'occasion d'éclaircir la Chambre comment avec presque la moitié du budget, vous allez répondre à ce que vous qualifiez d'un nombre croissant de personnes qui sont dans le besoin. Et quand vous regardez les détails, le *Family Welfare Programme*, moins de 50% du budget, de R22 à R10 ; j'ai donné le chiffre en gros.

M. le président, cela était pour l'item *Child Welfare and Family Development*. Quand vous passez à l'item *Community Empowerment, previously Eradication of Absolute Poverty*, on passe de R 41 millions à R 17 millions. Vous voulez qu'on croit qu'on est *really serious about empowering the vulnerable groups? Come on!*

Quand je regarde ce budget et lorsqu'on parle de budget social, je dis aux gens qui se sont empressés de parler de budget social, d'aller examiner le budget du ministère de l'intégration sociale, après l'avoir fait, s'ils peuvent toujours venir nous dire: «oui, c'est un budget social.» Venez me le dire avec ces chiffres qui sont publiés par le gouvernement!

M. le président, cerise sur le gâteau. Je suis bouleversée devant le fait que le budget *community empowerment* passe de R 41 millions à R 17 millions et lorsqu'on parle de *community empowerment*, regardons de près qu'est-ce qu'il y a sous cet item: *social infrastructure* qui sort de R 17 millions pour venir à R 7 millions; *upgrading of living environment in pockets of poverty* qui passe de R 24 millions à R 10 millions. C'est ça que nous appellons *community empowerment!* C'est ça la définition du *community empowerment* dans un ministère de l'intégration sociale ! Soit on ne comprend absolument rien de ce que c'est que le *community empowerment* ou on a trouvé l'expression intéressante ou peut-être même qu'on pense que c'est une expression qui va impressionner et on le met, parce que le *community empowerment* ne peut pas se résumer à des travaux d'infrastructures.

Quand je regarde cela, M. le président, il y a un autre élément qui m'interpelle. Quand nous parlons de *upgrading of living environment* et que vous regardez de près vous voyez dans le

budget qu'on parle *'this includes provision for drains, access roads, etc.'* et là M. le président, il y a une question qui me vient à l'esprit : pourquoi la NDU ne peut pas s'occuper des drains et des routes d'accès dans les régions pauvres comme il le fait dans d'autres régions? Est-ce à dire que ceux qui habitent ces régions ne peuvent pas recevoir les services de la NDU? Nous avons un ministère qui s'occupe des infrastructures publiques, qui a le personnel qualifié, mais les pauvres ne peuvent pas bénéficier de cela? Il faut qu'on leur dise : *"twa to special, I am going to empower you. The NDU will not take care of your drains, I am going to take care of your drains."* *This is what we are telling these people* et cela me dérange, M. le président. Est ce que c'est comme cela qu'on va faire de l'intégration? Certains services pour les pauvres : *'non, non, non, ène lotte zaffaire ki pou twa !'* Qu'est ce que c'est que cela? Je reviendrais car c'est la même chose pour le bien être de l'enfant. Parce que les chemins des pauvres ne sont pas pour la NDU, *dimoune mizères ène lotte zaffaire*, c'est la même chose pour le bien-être de l'enfant dont le budget du *Family Welfare Programme* passe de R 22 millions à R 10 millions.

Nous avons un ministère pour le développement de l'enfant et le bien être de la famille. Dois-je comprendre, M. le président, que ce ministère n'est pas là pour s'occuper des enfants pauvres? Dois-je comprendre que ce ministère n'est pas là pour les familles vulnérables et pour eux c'est *'ène lotte zaffaire pou twa'*? Si le ministère du développement de l'enfant et du bien être de la famille ne peut pas s'occuper des familles vulnérables, quelles familles ce ministère est censé s'occuper, M. le président? Est-ce votre famille, la mienne, les familles des membres de cette Chambre? Est-ce de vos enfants ou des miens? Parce que pour les enfants des groupes vulnérables *'ène lotte zaffaire, intégration sociale'*. C'est vrai, M. le président, que certaines réponses que nous avons reçues dans cette Chambre peuvent conduire à la conclusion que l'enfant des familles vulnérables ou les familles vulnérables elles-mêmes ne se trouvent pas sur l'agenda de ce ministère. Je ne vais pas m'étaler longuement sur ce point, je laisse cela à d'autres, probablement ma collègue Mme Ribot va s'appesantir sur ce sujet.

Je prends, M. le président, le deuxième pilier de la NEF qui est le *Executive Arm* du ministère qui est le *Placement and Training*. M. le président, la NEF est supposée s'occuper des familles dont les revenus ne dépassent pas R 6,500. On est en droit de s'attendre que pour son programme *Placement and Training*, les personnes provenant de ces familles dont les revenus ne dépassent pas R 6,500 que ces familles soient la préoccupation première sous ce programme. Que voyons-nous? Sous *Major Achievements* pour 2012 *'300 vulnerable women trained to*

secure employment as household workers’ et on avait prévu quelque chose comme 600. C’est peut être cela les 91% de mesures implémentées ! On ne sait pas combien de ces 300 personnes ont effectivement trouvé un emploi. On ne sait pas s’il y a un suivi, on ne sait pas s’il y a eu une évaluation pour savoir si cette formation a répondu à un besoin, donc que 300.

D’autre part, toujours sous ‘*Achievements, 2500 unemployed people placed and trained in ICT BPO, tourism and other service sectors.*’ La question que je me pose, M. le président, c’est combien de personnes parmi ces 2500 proviennent de ces 7000 familles identifiées comme venant des familles les plus vulnérables? Combien de ces 2500 proviennent de ces familles avec des revenus de moins de R 6,500 est qui sont des ‘clients’ de la NEF, si je peux m’exprimer ainsi?

Il y a eu récemment, M. le président, trois *job fairs* organisés par la NEF. Est-ce que ces *job fairs* étaient destinés à ces familles? Ou, on arrive à l’année financière et il faut dépenser de l’argent, on se dépêche et on fait des *job fairs* sans vraiment prendre la peine de voir si on organise un *job fair* qui répond aux besoins de ces familles qu’on est censé s’occuper, c’est-à-dire, des familles avec des revenus de moins de R 6,500.

Je passe rapidement, M. le président, au troisième pilier, je le prends comme troisième pilier par ce que je parle du budget 2013, *Social Housing and Community Empowerment*, qui étaient deux piliers séparés auparavant. J’ai mentionné un peu plus tôt le *Community Empowerment* et je me contenterais que du *Social Housing*. Au début de mon intervention, M. le président, j’ai mentionné les sept budgets consécutifs d’un gouvernement sous le *leadership* du Premier ministre le Dr. Navin Ramgoolam. Le premier budget de cette série, c’est-à-dire le budget 2006-2007 nous retrouvons au paragraphe 270, cela a été vraiment un exercice très intéressant que j’ai fait dans le peu de temps que j’ai pu avoir, et parce qu’on parle du *social housing*, je me suis dit que cela faisait longtemps qu’on en parle et laissez moi remonter un peu. Là j’ai fait abstraction, comme j’ai dit, des budgets entre 1995 et 2000 et je commence de 2006. Budget 2006-2007 chapitre *Land for Social Housing* : ‘*the Empowerment Programme will address the issue of housing for families with modest incomes.*’ Donc, le *Empowerment Programme* en 2006 qui est devenu par la suite le *National Empowerment Foundation* et, par la suite, qui est chapeauté par un ministère. M. le président, je vous fais l’économie de tous les détails qu’on avait eus, on parlait de 2000 à 3000 arpents de terre qui allaient être divisés en des portions de 50 à 60 toises, qui allaient être vendus à *affordable costs*. Mais, déjà, je commence

avec 2006 et on parle de *land for social housing*. En passant soit dit, M. le président, c'est ce budget qui a vu la mise sur pied du *Empowerment Programme* et dans ce budget lorsqu'on parlait du *Empowerment Programme*, c'est intéressant « *there has been too much talk about helping these vulnerable people. Very often we have not walked the talk or the approach has been so fragmented.* » *I have not walked the talk? Toujours penkor walk the talk*, M. le président! “*We need a well articulated work fair programme*” et là on donne les sept *critical activities*. Premièrement, *land for social housing, land for small entrepreneurs*, etc. Je vous parle de 2006, presque sept ans de cela. Et, M. le président, écoutez cela, lorsqu'on parle du programme qu'on mettait sur pied, qu'est ce qu'on disait? Parlant du programme: « *It will have a life span of five years* » et, « *I am creating this item in the Capital Budget with a project value of Rs5 billion. I am allocating Rs750 m. for the next financial year to kick off the programme.*” M. le président, j'entends encore les ‘*tape la table*’ auxquels on a eu droit lorsqu'on annonçait cela. Après sept ans - pas cinq, le *life span of the programme* - qu'est-ce qu'on nous dit? “*There is an increase in the number of households requiring assistance.*” Si on n'appelle pas cela un échec, cela lui ressemble beaucoup. Ce sont des faits. Revenons au problème de logements sociaux. Je disais donc que dans le premier budget de la série de sept consécutifs du gouvernement, nous avons eu droit à ce que je viens de vous dire, notamment que *l'Empowerment Programme will address the issue - 2006*.

Dans le discours du budget 2008-2009, M. le président - *believe it or not* - 13 paragraphes concernant le *social housing*, pages 226 à 238, on parle des mesures pour le logement. Treize paragraphes consacrés à ce problème dans le budget 2008-2009. M. le président, c'est triste à en mourir. Comment est-ce qu'on peut manquer autant de sérieux? Après toutes ces années, on ose venir me dire qu'on fait très bien, qu'on implémente 91% du budget ! Même si j'inverse 91 et le fais devenir 19, on n'a même pas atteint ce 19%, M. le président. Où est parti, M. le président, le *Social Housing Fund*, avec R 500 millions alloués, et mentionné là-dedans? Où sont partis les *new mixed housing communities*? Où sont parties les 774 maisons Firinga qu'on devait faire tout de suite? Où sont parties les portions de terrain? Au départ, c'était 50/60, et puis cela a baissé pour arriver à 50/55 dans le budget 2008-09. On devait donner ces terrains pour une somme de R 3,000 par année. Où sont parties toutes ces choses? Je m'arrête ici, M. le président ; je ne passerai pas sur les 13 paragraphes.

Année après année, dans le budget 2010 on nous parle encore une fois de la NEF. *The national programme will include an integrated programme for 5,000 families with modest revenues.* Où est parti cela? *In the Budget of 2011, Rs400 m. were earmarked for 700 housing units.* *In the 2012 Budget,* - on continue d'en parler depuis 2006, il y avait quelque chose de particulier au paragraphe 203 –

“Government is also giving a major boost to the construction of more housing units. We will do so with an innovative new vehicle.”

Et on a eu droit à un *Housing Development Trust* mentionné dans le budget 2012. M. le président, qu'est que ce *Trust* a fait? Il a tout simplement, comme je crois l'avoir dit, identifié un terrain pour la construction des maisons - même pas acheté. On a annoncé l'*innovative vehicle* qui n'a fait qu'identifier un terrain, et je crois que le guideline pour ce *scheme* vient tout juste d'être élaboré après une année.

M. le président, les faits qui sont devant nous indiquent clairement que le programme de logements sociaux a été un échec total depuis 2006. Je fais exprès, je n'ai rien comparé, je n'ai pas parlé du nombre de maisons construites sous le gouvernement MMM/MSM en 2004/2005. Je n'ai pas parlé des ces milliers de maisons qui avaient été construites en quatre ans. Je vous ai fait l'économie de cela, parce que tout le monde est en courant. Quand je prends depuis 2006 à ce jour, avec toutes ces annonces que j'ai mentionnées – quoi que très brièvement – nous constatons que le problème de logements sociaux a été un échec retentissant. Si le peuple, M. le président, a été gratifié d'annonces, avec des chiffres mirobolants, quant à la concrétisation des projets annoncés, il faut repasser.

M. le président, juste un exemple pour démontrer un peu le manque de sérieux concernant les logements sociaux. Au départ du présent ministre des Finances du ministère de l'Intégration sociale, il y avait un projet de logements sociaux à Gros Cailloux qui était fin prêt. Mais, pour une raison quelconque, ce projet a été ...

(Interruptions)

Le ministre aura le loisir de répondre. Ce projet a été mis de côté pendant plusieurs mois - je sais que le projet revient. Pendant plusieurs mois, ce projet a été mis de côté, mais le projet était fin prêt au départ du ministre des Finances du ministère de l'Intégration sociale.

(Interruptions)

Je ne sais pas pourquoi cela pique fortement le ministre actuel - Je ne sais pas trop. Les faits sont là, et je continue sur la même lancée, M. le président. *I am a factual person, and what I say is being supported by evidence.*

M. le président, est-ce ainsi que nous allons résoudre le problème de logements sociaux? Voilà un bref rappel des piliers de la NEF, et avec cette réorganisation sur une base régionale, on se retrouve avec quatre managers régionaux s'occupant de tout. Je continue de parler des quatre piliers. Je crains qu'avec cette situation, notamment un manager qui s'occupe du *Child Development and Family Welfare*, le *placement and training*, le *Community Empowerment* et le *Social Housing* - s'occupant de quatre sujets si différents - les choses ne feront qu'empirer. Il y a certaines actions, M. le président, qui se font, et qui me font penser que pour certaines personnes on fait une action juste pour le besoin de le faire et non pour la valeur de l'action elle-même. On ne regarde pas l'impact de l'action sur les personnes qui sont supposées bénéficier de cette action.

M. le président, pour citer le Père Joseph Wresinski, qui est le fondateur du mouvement ATD Quart Monde qui lutte contre la pauvreté, je dirais -

« La misère n'est pas fatale. Elle est l'œuvre des hommes et seuls les hommes peuvent la détruire. »

M. le président, pour le faire, il faut atteindre les pauvres. Comme le dit si bien l'auteur de ce livre - c'est un livre que j'ai beaucoup aimé – Xavier Godinot, 'atteindre les plus pauvres et bâtir avec eux un partenariat dans le cadre des programmes de lutte contre la pauvreté, nécessitent la proximité, la durée, l'ambition de réunir autour d'eux les forces existantes de la communauté'.

M. le président, je ne saurais terminer cette intervention sans dire quelques mots sur ma circonscription. Je vois l'honorable ministre Bachoo qui me sourit, et je pense qu'il sait de quoi je vais parler, parce que j'en parle année après année.

Je parlerai des problèmes auxquels les habitants de Rivière Sèche font face. Nous avons un problème d'érosion sur le chemin d'accès - je me répète - qui s'aggrave de jour en jour. Et donc l'honorable ministre Bachoo va me donner de plus amples renseignements je suis certain au cours de son intervention. Il y a ce problème à Rivière Sèche ; il y a aussi le problème de route d'accès pour Camp Savanne. Cela aussi année après année j'en parle. C'est une petite agglomération qui se trouve tout près des cascades à Henrietta et les gens n'ont pas de route d'accès, ils traversent la rivière pour arriver chez eux où il y a un long détour à travers les

champs de cannes. Même les enfants qui partent à l'école doivent traverser la rivière pour aller prendre l'autobus. Donc, je fais un appel encore plus pressant à l'honorable ministre Bachoo pour j'espère de tout cœur qu'on puisse arriver à trouver une solution pour les habitants de Rivière Sèche et pour les habitants de Camp Savanne.

J'en ai terminé, M. le président, et je vous remercie.

(5.41 p.m.)

The Minister of Industry, Commerce and Consumer Protection (Mr S. Sayed-Hossen): Mr Speaker, Sir, allow me at the outset to congratulate my colleague, the Vice-Prime Minister, Minister of Finance and Economic Development who has presented a Budget that will definitely shift the national economy to a new curve where will prevail higher economic modernity and greater social justice.

This Budget indeed contains the lofty ideals of a modern and an equitable society which are entrenched in the vision of our Prime Minister where each and every citizen can enjoy the fruits of economic progress and can aspire to a better future.

In fact, the blend of budgetary measures proposed will ensure that the economy, as has been done over the past years, is kept solidly anchored on the path of economic consolidation and economic progress while putting inclusive growth at the forefront. This is what we would call, Mr Deputy Speaker, Sir, a positive paradox when we know that advanced economies are shedding jobs in the public sector and actively and in an accelerated way curtailing social benefits while their economies are mired in unprecedented low economic growths and high public deficits.

In contrast, our own economy has been registering growth above 3%. Public sector debt is decreasing, the public sector has not witnessed any contraction and indeed with the PRB, the salary of every single public officer stands to increase and finally we have continued to increase social transfers. What better proof, Mr Deputy Speaker, Sir? What better proof do the harbingers heralding gloom need that we are reaping the fruits of this Government's sound, wise and compassionate economic management?

Mr Deputy Speaker, Sir, some data at this stage will provide greater clarity to Members of the Opposition, in particular to hon. Li Kwong Wing, who, a short while ago, opened the budget

debates on behalf of the Opposition and as usual saw everything in black and with his typical smile announced impending doom to the country.

GDP growth, Mr Deputy Speaker, Sir, of advanced economies for 2012 and 2013 are forecasted as follows: France 0.1% and 0.4%; Germany 0.9% and 1%; Italy, recession: -2.3% and -0.7%; Spain, recession: -1.5% and -1.3%. The United Kingdom, recession this year: -0.4% and, hopefully, 1% growth next year. At the same time - and this is a very important figure - the ratio of aggregate debt to aggregate GDP for advanced economies will rise from 46% in 2007 to 70% in 2011 and it is expected that this will reach 80% in 2016. We know already that debt to GDP ratio in a country like the USA is a 100%, in Japan 130% but I am talking of the ratio of aggregate debt for the whole of the advance world. The economic conditions in these economies have left many households in sheer poverty. Actually in a degree of poverty never imagined before and have impacted negatively on the very fabrics of their societies, even threatening national unity like in Spain. We, in Mauritius, are far from such situations.

Mr Deputy Speaker, Sir, although my colleague, the Minister of Education hon. Vasant Bunwaree has done it, I will briefly remind the House of our achievements. We know first of all that all budgets start by setting the scene by portraying the economic conditions in the country, that is, the background. Let us go down memory lane a few years by recalling the fundamental economic imbalances left by the MMM/MSM Government in the year 2005 when the budget deficit had reached a high 5.5% of GDP. Unemployment was 9.6% and public debt as a ratio of GDP was around 64%, not to mention the record low growth rates even whilst the whole world was on a positive growth curve. In 2005 budget was presented at a time when the economic crisis of 2008 as well as the enduring euro zone crisis were yet not even heard about.

Mr Deputy Speaker, Sir, this time we have been confronted and we are still being confronted with the brutal ripples from the downturn in advanced economies. However, this Government under the leadership of the hon. Prime Minister has anticipated the worse scenario on the global scene and through its policy measures has questioned the economy with a mix of rescue measures since 2005. The result is worth pondering by the hon. Members of the Opposition and indeed by the whole nation. In this budget, the hon. Minister of Finance and Economic Development has been able to highlight that economic fundamentals are eminently positive. Allow me to refer to a few of them and highlight their importance.

First of all, a budget deficit of 2.5 % of GDP and a forecast of a budget deficit of 2.2% in 2013 denote proper and efficient macroeconomic management that has resulted in economic sustainability, sending strong signals to the global business community that Mauritius has kept well on the track of fiscal and economic solvency, thus sending very positive and very encouraging signals to the international investment community.

Second, inflation at a relatively low 4.1 % in 2012 has protected the purchasing power whilst at the same time safeguarding our export competitiveness.

Third, public sector debt to GDP at 54.2% has been kept well within the safe threshold of 60% providing Mauritius with much room to manoeuvre in the case of a worsening external economic condition.

Fourth, an economic growth of 3.4%, Mr Deputy Speaker, Sir, denotes nothing less than economic resilience and a growing economic prosperity.

Mr Deputy Speaker, Sir, with such indicators what better yardsticks do we have to show to the nation and to the world that we have soundly managed the economy? The more so in the face of an economic recession not witnessed since long in our major markets.

The Opposition will, as usual, or should I say true to themselves, paint a black picture and attempt to show everything in a negative light. But they cannot dupe even the gullible as tangible signs of all around developments are clearly visible.

Mr Deputy Speaker, Sir, the set of measures in the 2013 Budget clearly demonstrates that this Government is alive to the economic and social challenges that the country faces and is determined to tackle them head on. At the same time, Government is compassionate for those at the lowest rungs of the economic ladder and has at heart the welfare of every citizen. We will not relent on our resolve to build an inclusive society, Mr Deputy Speaker, Sir.

I listened with attention to the speech of hon. Li Kwong Wing. Mr Deputy Speaker, Sir, figures are figures. You can interpret them the way you want, but figures do remain figures and the figures of economic performance are clear, absolute and concrete. *Cependant, l'honorable Li Kwong Wing fait une savante - mais je dois dire aussi obscure, décomposition de ces chiffres positifs pour les convertir en chiffres négatifs.* This reminds me of a comparison between a scientist and a joker. The scientist takes facts, phenomena, figures, and concrete data and then, the scientist will arrange his or her theory or law according to these figures. The joker or the demagogue has a preconceived set of ideas which the dictionary will define as being prejudice.

So, the joker, the demagogue starts his exercise with his preconceived theory and then, distorts figures and facts to fit his theories. This is what we have been witnessing, Mr Deputy Speaker, Sir.

From the hon. Li Kwong Wing, not only have we heard about doomsday theories, but a load of incoherencies. Mr Deputy Speaker, Sir, I did not mean to harp on details, you know, about the different bridges and roads, etc., but being given that hon. Li Kwong Wing has mentioned them, I wish to make some comments on that. I mean, his comments on the ring road, for example; mentioning a road half-done, stopping at a mountain wall. Obviously, the road has to stop at a mountain wall until such time as the mountain is pierced through for the tunnel and the ring road will be done and completed. It is pure demagogy to speak of a road half done and stopping at a mountain. And, who will believe, for example, that the Caudan Flyover Bridge - I think, he called it a standstill bridge - which has a roundabout where traffic coming from six directions have to stop, is more efficient than a flyover bridge, but still he mentions that and, of course, he goes on and on talking about TV sets, WC basins, etc. I think he also mentioned inflation and he contested the figures set out by the hon. Minister of Finance; instead of 4.1%, he talks about 6%. Obviously, Mr Deputy Speaker, Sir, with the coming into operation of the PRB in January, Rs4.6 billion to Rs5 billion injected in the economy will, of course, lead to some inflation and as a bright Economist, hon. Li Kwong Wing, should know that a certain degree of inflation in an economy is never a bad thing. All Economists agree on that. So, Mr Deputy Speaker, Sir, demagogy is the name of the game for them. I will also point out something which I think is a little bit misleading in what the hon. Li Kwong Wing said. He talked about an increase in taxes and mentioned alcohol, alcoholic drinks, tobacco, VAT revenue, etc., and I listened very intently to hon. Li Kwong Wing, and twice or thrice, he mentioned an increase in taxes. Actually, there has been no increase in taxes, because when you say increase in taxes, you imply increase in the rates of taxation. There has been an increase in tax revenue. That is simply because, over the years, prices have gone up. So, people pay more taxes and VAT increases. There is no increase in tax rates on consumption contrary to what has been mentioned by the hon. Li Kwong Wing. Obviously, tax revenues have increased not the tax rates, and should we remind him - unfortunately, he is not here, but I am sure that he will know what I have said - that we reduced taxation. We reduced income tax rates in 2006 from 25% to 15% in one go and it was their Government which increased VAT twice in one year by 50%.

Hon. Li Kwong Wing also mentioned of - I mean such derogatory remarks, Mr Deputy Speaker, Sir - a handful of peanuts to the poor and senior citizens and mentioning in a deriding way the Rs144 increase that is being paid to senior citizens pension. *C'est une telle plaisanterie, M. le président, que ça se passe de commentaire. Mais encore une fois, faut-il que ce soit moi qui rappelle à la Chambre que c'était l'opposition MMM/MSM, quand ils étaient au pouvoir, qui ont décidé, pas décidé* - who have caused such distress to our senior citizens by threatening to cancel the pension for a sizable proportion of our senior brothers and sisters and then, he talks about deriding Rs144 increase. Actually, the proof of the pudding is in the eating, Mr Deputy Speaker, Sir. The only thing that matters is results. Not speeches and speeches and speeches. There is no need for what I have called *de savantes et obscures analyses économiques dans le genre: couper les cheveux en quatre*.

The fact is that in 2012, today, after seven years of the leadership of the hon. Prime Minister, Dr. the hon. Navin Ramgoolam, we are no longer in a *situation de crise sans précédent*. The fact is that we are no longer - again, in their own words - losing jobs *à une vitesse vertigineuse*. I know that it is the umpteenth time that my friends on this side of the House and myself we are referring to these two statements made by themselves when they were in power, when they were in office, but what can I do? I mean, it was the last time that they were in office. So, the only thing I can do is to refer to what they said then.

Et l'honorable Li Kwong Wing *conclut en appelant le Premier ministre* to recall that budget. I think that is what he said: I am calling upon the Prime Minister to recall that budget. Why is he doing that? Because, the budget pinches; actually, the budget pinches him and his friends on the other side. Not the people! Actually, last year, we had the occasion to listen to hon. Uteem during his speech shouting again the same thing: 'Give back the power to the people! Give back the power to the people! Give back the power to the people!' Today, it is: 'Call back the budget! Call back the budget! Forgetting, Mr Deputy Speaker, Sir, that they have been booted five times by the electorate. They have been booted five times successively by the same people; *que c'est pathétique, M. le président*.

En conclusion de mes commentaires sur ce qu'a dit l'honorable Li Kwong Wing, M. le président, je dirais ce qui suit. J'ai fait référence un peu plus tôt dans mon discours à ce plaisantin qui réarrange la réalité, réarrange les chiffres, réordonne les faits, pour que cela s'adapte au contenu de ces préjugés, de ces idées préconçues. En écoutant l'honorable Li Kwong

Wing, j'ai vraiment l'impression que tout heureux de prononcer le discours d'ouverture, d'ouverture de feu contre le gouvernement, ayant appris la nouvelle, il a écrit son discours avant même d'avoir écouté le discours du budget du ministre des Finances.

Mr Deputy Speaker, Sir, back to business - over the last 7 years, since 2005 that we are in office, through successive budgetary and other measures, we have been step by step building a modern Mauritius and this Budget follows the same charted and proven path with major strategic thrusts on strengthening our key economic pillars: skills development, youth empowerment, SME development and now a new strategy for Africa and, of course, the crowning, always the case, support to the most vulnerable which has been the hallmark of this Government ever since.

Mr Deputy Speaker, Sir, allow me to delve into some of these strategic thrusts. I would speak very briefly on SME because I am sure my friend and colleague, hon. Minister Seetaram, will canvass this issue more lengthily. We have always pledged our commitment to nurture and consolidate the SME sector and this is in line with our programme for the democratisation of the economy. We also believe in transforming Mauritius into a land of entrepreneurs and our colleague, the hon. Minister of Education, has just announced a few minutes ago, the introduction of courses on entrepreneurship in formal education as from next year and we are ensuring that we walk the talk, Mr Deputy Speaker, Sir.

In this context a plethora of measures has been enunciated for the SME sector either in terms of writing off debts of those caught in the debt traps or to provide support on more favourable terms.

Mr Deputy Speaker, Sir, we are no longer an island on our own. We are in a region and we are part of the African region. The hon. Prime Minister, some time ago, has announced a new strategy for Africa and has publicly, locally and internationally positioned Mauritius as the gateway to Africa. Indeed, Mr Deputy Speaker, Sir, many African countries have embarked on a process of genuine economic modernisation and we have to leverage on opportunities of market expansion in these economies.

Africa is indeed recognised as the second fastest growing region worldwide. Spending in Africa is expected to move beyond the USD 1 trillion mark. 60% of the world's undeveloped land is in Africa and its GDP is projected to grow by 63% by 2020.

Economic diplomacy through the network of the hon. Prime Minister and through the appointment of honorary consul in every major city on the continent, will step up trade and cross

border investment, particularly in SADC and COMESA countries where we can further optimise on preferential treatment.

At the same time, we are giving ourselves the means to realise the policy objectives enunciated by the hon. Prime Minister to be the gateway into Africa. The Freeport status to operators exporting to Africa implies zero corporate tax. It constitutes a truly exceptional measure to encourage entrepreneurs to tap into expanding opportunities on the continent and will be a major incentive to attract foreign direct investment in the sector.

With your permission, Mr Deputy Speaker, Sir, I would wish to refer to a few measures concerning my Ministry. First of all, the Manufacturing Sector. The Manufacturing Sector, Mr Deputy Speaker, Sir, has safely navigated in the troubled waters of the Eurozone crisis. The Manufacturing Sector in this country accounts for the 18% of the GDP, employs around 111,000 workers, represents 20% of the total employment and is expected to yield a total output of Rs 125 billion in 2012 excluding, of course, sugar milling.

We, therefore, need to recognise the strategic importance of the sector to the economy. The Government has left no stone unturned to put in place a number of schemes to facilitate its expansion and modernisation. Schemes managed by the Restructuring Working Group and the Mauritius Business Growth Scheme aim to assist enterprises to restructure their production and financial operations, facilitate access to finance at attractive rates, improve their cash flow and enhance their competitiveness.

I am proud to say that despite the difficulties in our major markets, the sector has posted a growth of 2.2% in 2011 and is projected to achieve a growth rate of around 1.5% in 2012. The non-exporting basically domestic sector recorded a negative growth of 3.1% in 2011, but is now rebounding in 2012 with a positive growth rate of 1.4%.

The export-oriented sector is expected to register a higher growth in exports this year as compared to last year. Indeed, during the period January to September 2012, the total export by the export oriented enterprises are 6.2% higher than during the corresponding period in 2011.

Mr Deputy Speaker, Sir, we all know that the export-oriented sector, formerly what we used to call the EPZ sector, relies heavily on economic conditions in Europe and the USA. Despite market contraction in Europe and the US which are our main trading partners, the EOE is expected to achieve a growth rate of about 2.5% for 2012. This sector has indeed performed well during the period 2006 to 2012 except for a slight negative growth of 0.9% in 2009 due to

the financial crisis. It is gratifying that Mauritius is diversifying its market as exemplified by exports to South Africa which has registered a ten-fold increase during the 2005-2011 period.

I cannot, but say a few words on the textile and clothing subsector, Mr Deputy Speaker, Sir. This sector has *cloturé* the celebrations of its 40 years of existence this year, a week ago actually. I am pleased to mention that this sector, the textile and clothing, in spite of all difficulties and recession, contraction of demand, major reforms in international trade agreements has never bowed down its head. In spite of the harsh reality of an extremely competitive market place it is good to note that Mauritian exports of clothing and textile to South Africa has chalked an impressive annual growth rate of some 20% per year for the period 2005-2011. South Africa today, whilst it was negligible about 7-8 years ago, represents 15% of our total exports for textile and clothing. I am happy to say also that fish and fish preparations and jewellery products are on a positive growth curve. Data reveals that these subsectors are performing well.

Actually, Mr Deputy Speaker, Sir, it is the faith of our business operators and of our workers in the ability of the country to cope with challenges that has boosted their morale and enabled them to keep their businesses above the tides stemming from the global economic downturn.

Mr Deputy Speaker, Sir, to reach these objectives, a focused approach has been adopted by my Ministry to promote the development of high value added activities that can pave the way for industrial consolidation, expansion, modernisation and diversification.

For example, the Mauritius Business Excellence award is now entrenched in the Mauritian landscape as a major event to promote the excellence. In June 2013, we will hold a fifth edition of this award. The *Observatoire de l'Industrie*, a very important instrument was launched in November last year 2011, to disseminate economic and business information to operators. And this portal is being constantly updated so that it can graduate soon into being an effective tool to enable business operators, to take better informed decisions when setting up new ventures, expanding businesses and in general for more enlightened marketing decisions.

My Ministry is working jointly and very closely with the Ministry of Finance and Economic Development and the Board of Investment to attract investors in new sectors that can facilitate the process of industrial diversification. As I mentioned earlier, Mr Deputy Speaker, Sir, our export performance for 2012, will be much better than expected despite the economic

recession in our main markets in Europe. Enterprise Mauritius as our export promotion agency has contributed widely and deeply to achieve this positive result through its aggressive marketing campaigns in our traditional, regional and emerging markets. Just a few figures, as at October 2012, Enterprise Mauritius has organised and participated in 37 export promotion events that have benefited 666 enterprises. Orders worth Rs567 m. have been obtained and some 4000-business contacts have been established. Furthermore, the total value of orders expected as a result of these is around Rs2 billion. I noted with a lot of attention the remarks made by my colleague the hon. Minister of Education, hon. Vasant Bunwaree regarding the need for cooperation between the Board of Investment and Enterprise Mauritius. And I am happy to inform him and the House that we are already working in very close cooperation between Ministry of Finance and Economic Development and my Ministry, Board of Investment and Enterprise Mauritius on two fronts.

First of all, we work jointly in promoting investment, especially industrial investment in Mauritius. I really mean nuts and bolts investments, and secondly to promote the export of our products on two sub-fronts. On one hand, to broaden the market base, that is, to find new markets for our products and secondly to broaden the product base, that is, to bring new products and new potential exporters to become export ready and this is a joint work, which is being done by Enterprise Mauritius and the Board of Investment and I am sure my colleague will be happy to learn that we have been discussing very closely with MITD of late to bring also MITD to address the skills and training issues that go together with such considerations.

I wish also to point out something which is less known, but which is important. The Mauritius Standards Bureau is the agency under my Ministry, which is responsible for the development of standards, testing and accreditation. I said, less known, because it is not an institution which is greatly *médiatisé*. And indeed at a time when Government is laying emphasis on the self-sustainability of institutions, especially of parastatals, I am pleased to announce to the House that the Mauritius Standards Bureau has already embarked on this path, and is expected to become self-financing hopefully within five, six years time. For 2012, the bureau is expected to generate around Rs23 m. which will represent around 45% of its Recurrent Budget and as I have said, if we really look forward to maybe five, six years, 2018, 2020. When the Mauritius Standard Bureau will generate 100% of its treasury.

I wish to inform the House, I have done it already before, but I think it is important that we have also introduced a new piece of legislation namely the Dealers Registration and Transactions Regulations in February 2012, to better regulate the sales of second hand jewellery with a view to dealing with cases of theft, laundering of stolen jewellery and exploitation of consumers by unscrupulous jewellers. And as at date the Assay Office, which is also under my Ministry has endorsed some 15,300 ownership declaration forms to authorise the sale of second hand jewellery. Just to give you, Mr Deputy Speaker, Sir, and to the House an idea of the *ampleur* of these transactions.

Mr Deputy Speaker, Sir, despite these positive achievements, growth rate of the manufacturing sector, we are certainly not going to sit on our laurels. We are defining new orientations for the industry sector. We are coming up with the new strategy thrust to reorient the sector towards higher growth and enhance projected market diversification as well as greener production.

My Ministry, Mr Deputy Speaker, Sir, in collaboration with the Ministry of Energy and Public Utilities and UNDP is implementing a project to the tune of Rs7 m. for the promotion of energy efficiency and savings among enterprises. This project will be a unique and first step in promoting productivity through energy efficient measures.

Secondly, a dedicated industrial Park will be constructed to foster and encourage high-tech manufacturing around clusters. The new infrastructure will constitute a breakthrough as it will involve high-tech facilities for enterprises in such sectors as medical devices, pharmaceuticals and lifestyle jewelry. And this project will be in line with one of the objectives which I just mentioned, that is, to diversify our industrial base and to reduce our dependency on textiles. Indeed, our continuing industrial development will be articulated around two prime objectives.

First prime objective will be to promote market diversification for the industry sector. I am glad that the Budget makes provision for Rs135 m. for Enterprise Mauritius to explore and tap new market opportunities. We will indeed develop and implement a new market strategy towards Africa and the US. And this strategy will focus on market intelligence and more aggressive export promotion. The objective will be to facilitate exports of those who are already export ready and enterprises which have an interest in Africa or the US market while leveraging on SADC and COMESA. And while pursuing the new Africa strategy, we will encourage and support enterprises wishing to benefit from the zero corporate tax under the Freeport status. This

measure constitutes a milestone as it would pave in a grand way our exports to Africa and the opening of our strategy to be the gateway to Africa.

The second prime objective, Mr Deputy Speaker, Sir, is industrial diversification. Over the past 40 years we have experienced a sort of a crescendo in our industrial scenario. We started 40 years ago with very basic textiles and clothing and indeed I am sure some of us still remember in those days certain media in Europe were talking in a deriding way of Mauritius being the world capital for shorts and T-shirts.

Well, Mr Deputy Speaker, Sir, we have graduated since a long time from producing basic shorts and basic T-shirts into high value added products for many famous brands, actually global ones. We have evolved from textiles and clothing into light engineering, into jewellery, into jewellery for export, into precision engineering. We have evolved from textile and clothing into light engineering, into jewellery for export; into precision engineering; and to seafood processing and, of late, in medical devices and highly sophisticated precision engineering mentioned again by the Minister of Education a few minutes ago where we have a company in Ebene producing electronic relays for Boeing and Airbus.

It is important, Mr Deputy Speaker, Sir, to consolidate and modernise the existing sectors and the exiting subsectors. It is also important to move up the value chain and to venture into more new technology driven industries. This is how we have jointly – the Ministry of Finance and Economic Development and my Ministry - identified five new potential sectors: medical devices in which we have four companies right now and which we want to develop further; pharmaceuticals; automotive components; technical textiles and a higher grade of precision engineering.

Mr Deputy Speaker, Sir, we all know how important manufacturing can be for societies. Manufacturing creates positive ripple effects, creates upstream and downstream benefits. Manufacturing is highly sensitive to economies of scale. Manufacturing provides employment and manufacturing is a long-term investment. Our objective is to move from 18% contribution to GDP manufacturing now in 2012 to hopefully 22%-23% by 2020.

With your permission, Mr Deputy Speaker, Sir, I will elaborate a few points on the Commerce and Consumer Protection Division of my Ministry which is an important segment of my mandate. For the coming year 2013, we propose to lay much more emphasis on the consumer education component. I had the opportunity before to inform the House that we are coming up

with a new consumer protection regime. Indeed, the State Law Office has submitted, Monday last, the first draft of the Consumer Protection Bill which is presently being looked into by officials of my Ministry together with relevant stakeholders; secondly, to give a new boost to consumer education which is a very important component of consumer protection. I propose to organise, as from next year, a Consumer Education and Protection Road Show starting in March to coincide with the celebration of the World Consumer Rights Day. This road show will be organised on a regional basis in four different regions of the country and this will be an occasion not only to promote consumer education, but also to provide information on how consumers can and should buy intelligently and adopt a healthy lifestyle. The active participation of the Ministry of Health and Quality of Life will be sought in that respect and relevant agencies such as the State Trading Corporation, the Agricultural Marketing Board, the Fisheries Department, the Forestry Department and AREU among others will be requested to participate in these activities.

Mr Deputy Speaker, Sir, five new Consumer Protection Officers have been recruited to service the Consumer Protection Unit of my Ministry and two of them will be fully dedicated to the operationalisation of the Consumer Protection Unit in line with the Government's policy to promote e-governance. The re-engineering of Consumer Protection Unit needs to be accelerated and the services of the Office of Public Sector Governance of the Prime Minister's Office as well as technical assistance from the Government of India have been sought in this respect. The Government Programme of 2012-2015 which was read by the then acting President of the Republic has highlighted the necessity to address the issue of hire purchase and credit sales, and to introduce new legislation pertaining to it so as to strike the right balance between promoting business and consumer rights interest. On the 01 of November 2012, that is, a week ago, the Hire Purchase and Credit Sales (Charges) Regulations 2012 was promulgated and the present annual percentage rate, that is, the percentage rate of interest applicable in the case of credit and hire purchase has been reviewed from 24.8% down to 19%, and penalty for late payment has been reduced from 8% to 5% per annum above the Annual Percentage Rate (APR) of the amount due. This represents a reduction in interest rates in case of hire purchase of more than 26%.

Mr Deputy Speaker, Sir, it is the most modest sections of the population who have resort to hire purchase and credit sales and this, therefore, makes it extremely important for us to ensure that they get a fair deal. A committee comprising both the public and private sectors has been set at the level of my Ministry to review the Hire Purchase and Credit Sales Act to make it more

business friendly and customer forecast, that is, easy for business to utilize and more protective of customers.

Mr Deputy Speaker, Sir, a few words on trade facilitation. A major obstacle to trade is the inherent presence of powerful nontariff barriers to trade. As we all know nontariff barriers take the form of cumbersome customs procedures; freight and logistics procedures, cargo dwell time, trade regulations, import and export licences, complex rules of origin amongst others. My Ministry working in close collaboration with other agencies in streamlining trade procedures; accelerating trade facilitation and improving the ease of doing daily business in the country in line with Government policy to streamline trade procedures.

21 items have been eliminated from the need of having import permit requirements last year and in 2012, we have eliminated six items from the list of import control by my Ministry. This was done about a month ago. Furthermore, I am proposing to promulgate a new legislation to regulate further the activities related to the importation and sale of second-hand motor vehicles as well as the importation of such vehicles by agents.

Unfortunately, Mr Deputy Speaker, Sir, we have witnessed a few cases of, I would say, unfair trading both by some dealers and by agents who remain in the dark and work on behalf of individual importers. Very often, it has happened a few times actually, agents act in total disregard of the law and, at the end of the day, when the problem arises, the agents disappear and it is the individual importer who has been unfortunately misled by dishonest agents and who finally has to pay the price which, very often, would come up to Rs500,000, Rs600,000, Rs700,000 for mishandling of cases. So, we are putting some order in that and I am bringing soon a legislation to regulate that particular sector. In the same spirit, I am bringing new regulations regarding the mandatory requirements to submit an auction sheet in respect of the importation of second-hand motor vehicles from Japan to start with. The mandatory requirement of an auction sheet will ensure, at least, that vehicles which have been damaged in an accident or badly damaged in an accident in Japan are not exported to Mauritius. The mandatory requirement of an auction sheet will ensure that the odometer has not been tampered with. The mandatory requirement to submit an auction sheet will ensure that the customer, hopefully, to the best possible extent, gets what he pays for.

I am also proposing to come up with a new regulation with a view to strengthen the procedures and conditions for the holding of trade fairs and exhibitions, a sector of activity where we have also seen some abuse of late.

Mr Deputy Speaker, Sir, as from 01 January, 2013, the AGOA fee that is paid by exporters who export under AGOA will no longer be applicable. This is yet another incentive provided by Government to the manufacturing sector, at least, that part of the sector which exports to the USA under AGOA, to allow them more space to compete in the US market. This represents something like Rs15 m. that State Treasury will forfeit and that will stay in the pockets of the exporters. It is an important cost to trade that is being eliminated.

One last point, Mr Deputy Speaker, Sir. As the House may be aware, in 2012, Mauritius will be importing around 1,350,000 tons of petroleum products, or 15% more than last year. The increase is mainly due to growing demand for bunker fuel, aviation fuel and heavy oils. It is expected that double-digit growth percentages in the coming years for these products is quite likely, especially for jet fuel and for bunkering products. On the other hand, demand for automotive fuels, mogas and gasoil is expected to continue growing at its usual 4% to 5% per year. And, in order to ensure adequate supply of mogas and gasoil – *essence et diesel* - over the short to medium term, and also to tap export potential in the region, the State Trading Corporation, under my Ministry, has launched tender procedures for the construction of 25,000 metric tons storage facilities at Mer Rouge. Government is considering the setting up of a petroleum terminal of about 160,000 metric tons.

A few words to conclude, Mr Deputy Speaker, Sir. A Government Budget – un budget de l'Etat - is about appropriation of funds and the reallocation of these funds. Cette réallocation de fonds, de ressources permet, M. le président, d'un côté la continuité de la construction du pays, caractérisée par la modernisation, la facilitation des activités économiques, l'amélioration des infrastructures et autres services publics. Cette réallocation permet aussi, en deuxième lieu, la redistribution des revenus fiscaux, surtout vers les catégories les plus vulnérables de la nation. Et tout le monde, en dépit de ce que dit l'opposition, s'accorde à mettre en exergue les dimensions sociales extrêmement pointues de ce budget, inspirées du souci profond du Premier ministre de transformer notre société, au départ profondément inéquitable, en une société inclusive où il est essentiel d'alléger la pauvreté et à terme de l'éliminer, où il est essentiel de donner la chance à tous les enfants, où il est essentiel de donner la chance aux jeunes, aux femmes, et à nos citoyens

les plus âgés. Tout le monde s'accorde à le dire, M. le président, sauf ces messieurs-dames de l'opposition.

N'empêche, M. le président, ce gouvernement a été élu sur un mandat de modernisation et de démocratisation. Il est dirigé par un Premier ministre qui imprime sur la politique du gouvernement sa vision modernisatrice, son sens de la compassion envers les faibles, son attachement indéfectible à l'unité nationale, et son *leadership* incontesté. Ce gouvernement est engagé dans une action, dont le fil conducteur, M. le président, est composé des éléments de la vision du Premier ministre, et ce depuis 2005. Depuis 2005, M. le président, continuité, cohérence, construction à long terme du pays. Voilà les maîtres mots de l'action gouvernementale, et qui est définie en plus par ce budget, avec en ligne d'horizon, M. le président, une société non seulement plus moderne mais plus équitable, où il y aura, même dans les jours les plus sombres, l'espoir d'un lendemain meilleur, même pour chaque tunnel une lumière au bout du tunnel. Merci, M. le président.

(6.36 p.m.)

Mr M. Seeruttun (Second Member for Vieux Grand Port & Rose Belle): M. le président, la semaine dernière et ce depuis l'annonce du discours du budget, l'attente d'annonces des mesures budgétaires qui viendraient soulager la grande partie de la population était palpable. Elle s'attendait à ce que le gouvernement vienne présenter un budget qui allait répondre à leurs besoins les plus élémentaires, et aussi aux grands défis dont le pays aurait à faire face.

M. le président, après la lecture du budget 2013 par le ministre des Finances, la majorité des Mauriciens est restée sur sa faim. La société civile, les syndicats, les ONG, le secteur privé et la population en général se sont exprimés, et ils étaient tous unanimes à dire que le budget manquait de punch. On pouvait lire des commentaires tels que la classe moyenne reste sur sa faim, un budget qui manque de courage, un budget terne, un budget sans grandes ambitions, un budget qui manque de vision, un budget qui a oublié la classe des travailleurs, ou encore cette caricature dans un quotidien qui parle de « *mange télévision, guette pistache* ». La liste est longue, M. le président. Après le rapport du PRB, voilà un budget sans aucune orientation claire pour le long terme, aucun signal fort pour ramener un climat de confiance. Bref, je dirai que c'est un budget qui manque d'audace. En une phrase, un budget 'panadol' avec des mesures palliatives.

Du côté de l'opposition, on ne s'attendait pas au miracle.

(Interruptions)

M. le président, on a écouté attentivement l'orateur de l'autre côté de la Chambre. Après son grand oral de l'année dernière, nous ne nous attendions pas à ce que le ministre des Finances et le gouvernement fassent pire cette année, mais, bien sûr, on s'est trompé. L'année dernière, le budget 2012 était présenté par le ministre des Finances, avec comme objectif principal la croissance. Il lisait « *Growth for the Greater Good* ». Il proposait des mesures pour atteindre l'objectif fixé, c'est-à-dire une croissance de 4% pour 2012. Il est important de noter que déjà c'était un recul par rapport à 2011, où la croissance était de 4.2%.

Au fur et à mesure qu'on avançait dans l'année 2012 et, que le gouvernement mettait en place les mesures budgétaires, il est important de noter que d'après le bilan du gouvernement, 91% des mesures identifiées ont déjà été implémentées, et pourtant la croissance a baissé. C'est pour dire de l'effet contraire de ces mesures. Toutes les institutions respectées, locales et internationales, que ce soit la MCB, la Chambre de Commerce et de l'Industrie, la Banque de Maurice et le FMI prévoyaient une croissance autour de 3%. Au final, la croissance pour l'année 2012 serait de 3.4% d'après le ministre, mais le chômage est en hausse à 8.2%. Ce qui est encore plus alarmant, c'est que le chômage touche les jeunes et les femmes et le taux parmi les jeunes est encore plus fort. Entre l'année dernière et cette année-ci, plus de 2,000 femmes ont perdu leurs emplois. Depuis l'implémentation de cette nouvelle loi anti-travailleur, presque 20,000 personnes ont perdu leur *job*. La dette nationale passera autour de R 204 milliards, M. le président. Tout à l'heure, j'écoutais le ministre de l'Education qui parlait de la dette entre 2000 et 2005. Mais ce qu'il oublie de dire c'est qu'en tant que ministre de l'Education, il aurait du savoir qu'entre 2000 et 2005 plus d'une cinquantaine de collèges et d'écoles ont été construits et que c'est là où cet argent est parti.

L'investissement privé est en baisse et le climat de confiance a disparu. Quant au pouvoir d'achat, n'en parlons plus ! La majorité de la population s'est appauvri, sauf les gros bonnets pour ne pas dire les Gros Dereks et leurs acolytes. Un échec sans équivoque, M. le président ! Voilà ce qu'on appelle résultat sur résultat à la manière de ce gouvernement. Dans son discours budgétaire de l'année dernière, le ministre faisait référence à la performance de Maurice par rapport à d'autres pays africains, et je cite -

‘The performance of Mauritius in many international rankings is a source of pride and joy for the entire nation. We are ranked first out of 53 countries in Africa on the Mo Ibrahim Index of African Governance; first in Africa on the Fraser Institute’s Economic Freedom Index. And again, first in Africa, in the World Bank’s Ease of Doing Business report for the 4th year running, well ahead of 2nd place South Africa.’

Il se compare à des pays en Afrique. Mais, quand il s’agit de comparer la croissance, M. le président, le ministre préfère se comparer aux pays Européens. M. le président, pourquoi ne pas comparer *like with like*? La croissance de plusieurs pays d’Afrique est presque le double de ce qu’on a réalisé. La croissance moyenne pour les pays d’Afrique est de 5.5% et ils prévoient de faire mieux en 2013 alors qu’à l’Ile Maurice nous sommes à la traîne. Je ne crois pas que c’est une fierté lorsqu’on parle de 3.4%, M. le président. Si l’exercice du budget n’était qu’un exercice comptable, M. le président, le ministre des Finances aurait été un bon élève car il satisfait le *bottom line* en avançant quelques chiffres pour faire croire qu’il a fait l’impossible. Ce qu’il ne dit pas c’est quelles sont les astuces comptables qu’il a utilisé et au détriment de combien de projets sociaux qui auraient dû être réalisés, mais qui n’ont pas été réalisés pour qu’il finit avec un déficit dont il est fier de présenter.

M. le président, l’exercice budgétaire est bien plus qu’un exercice comptable et c’est là où je pense qu’il a raté sa chance pour la deuxième fois. On est tous d’accord que la situation financière en Europe et aux Etats Unis est toujours précaire et sur laquelle nous n’avons aucun contrôle. Mais, M. le président, il y a plusieurs facteurs internes qui sont sous notre contrôle et qu’on aurait bien pu corriger afin d’envoyer un signal fort aux investisseurs potentiels. Le gaspillage des fonds publics - tant décrié par le Directeur de l’Audit - demande une bonne refonte du système ; le combat contre la fraude et la corruption, le contrôle de la criminalité et de l’insécurité dans le pays, l’accès aérien, la drogue et la prostitution. J’ai parlé de cette loi anti-travailleur qui amène de la misère à nos compatriotes. L’image même de la République de Maurice au niveau international a pris un sale coup avec l’affaire de Michaela Harte. Le scandale du *Board of Investment*, le *property scam* qui a donné lieu au *PNQ* de ce matin. L’affaire du trafic d’armes, pour ne citer que cela, M. le président. C’est dans des moments difficiles qu’on a le plus besoin d’un vrai *Leader*. L’économie mondiale a changé, le model économique ne peut pas rester figé. C’est le moment, M. le président, de revoir notre model économique si on veut vraiment saisir des opportunités qui s’ouvrent à nous, suite à la crise mondiale.

Malheureusement, M. le président, le ministre des Finances a choisi la voie facile en ne restant qu'un simple observateur au lieu de prendre des mesures courageuses.

Pendant toute l'année 2012 dans le but d'atteindre le taux de croissance fixé, le ministre a voulu usurper le rôle du gouverneur de la Banque de Maurice. Il a procédé à la nomination de certains membres au *Monetary Policy Committee*. Est-ce pour avoir un *upper hand* sur les décisions du comité? Puis il a intervenu sur le marché des devises en achetant des dollars et depuis notre roupie connaît une dépréciation continue par rapport aux principales devises, notamment le dollar Américain et l'euro. Entre mi-octobre à ce jour, la roupie à été dépréciée de plus de 5% vis-à-vis du dollar Américain et l'euro. L'objectif du ministre, M. le président, était d'améliorer le taux de croissance. Mais, le faire en dépréciant la roupie, sans se soucier du poids inflationniste à l'importation et l'effet boule de neige sur le pouvoir d'achat des mauriciens, je me pose la question, M. le président, n'avait-il pas d'autres solutions? Encore une fois, il a choisi la voie facile.

On a tous témoigné cette guerre ouverte et malsaine entre le ministre des Finances et le Gouverneur de la Banque de Maurice et cela, M. le président, ne peut que saper notre moral, surtout des opérateurs économiques et des investisseurs potentiels. M. le président, ce budget ne fait aucune projection sur le long terme, ne donne aucun sens de direction et ne propose aucun nouveau pilier économique.

M. le président, le gouvernement a parlé de *Green Economy* puis du *Blue Economy* mais aucune mention de comment contrôler le *Black Economy*. Et c'est ce dernier qui a connu une ascension sans précédent depuis 2005. Le budget 2013, M. le président, du gouvernement Parti Travailleuse/PMSD vient enfin découvrir que le secteur TIC est un secteur d'avenir. Cela fait déjà douze ans, M. le président que le gouvernement MSM/MMM, avec un Premier ministre visionnaire a lancé ce secteur avec la création du Cybercity. L'Opposition d'alors a critiqué le projet. Il l'a même traité d'éléphant blanc. Tout à l'heure j'écoutais le ministre de l'Education qui voulait prendre la paternité de ce secteur, mais on ne juge pas une personne sur ses paroles mais sur ses actions ; c'est en 2000-2005 que ce secteur a connu un départ.

Il a pris 12 ans pour ce gouvernement d'admettre que c'est un projet porteur. Ils ont tellement tiqué que notre secteur TIC a pris un retard. Pour permettre plus de connectivité, le gouvernement propose de baisser le tarif en entrée de gamme de la bande passante à R 200 à partir de janvier 2013.

M. le président, la connexion de l'entrée de gamme de la bande passante de 256 kbps est pour ainsi dire sans aucune utilité car c'est tellement lent et cela n'intéresse que très peu de personnes. Si le ministre des finances visait les jeunes, ces jeunes ne pourront même pas ouvrir leur page de *Facebook* dans un temps raisonnable pour télécharger des photos. Cette bande passante de 256 kbps est tellement lent.

Déjà avec les bandes passantes à haut débit, des fois la connexion est difficile et cela cause beaucoup de frustration aux utilisateurs. Imaginez la frustration de ceux qui utilise un débit de 256 kbps. Dans beaucoup de pays, la bande passante de 256 kbps n'est plus disponible justement à cause de sa lenteur. Donc, M. le président, si le ministre veut vraiment aider les gens les plus vulnérables à se connecter à l'internet, il aurait pu baisser le tarif de la bande passante 512 kbps et cette mesure aurait servi pour une vraie cause. J'espère que cette considération aura l'attention du ministre.

Si on veut aller plus loin, M. le président, dans cette initiative et comme dit le ministre lui-même '*bridging the digital divide*', vous serez d'accord avec moi que nos jeunes, et surtout ceux moins fortunés ont plus accès à un téléphone portable qu'à un PC ou un laptop. M. le président, savez-vous que le coût équivalent de la bande passante de 256 kbps pour le mobile est de R 6,000 et je crois que c'est vraiment trop cher. C'était là qu'il fallait plutôt faire un effort ou bien tout court démocratiser l'accès au wifi, à moins bien sûr qu'on ne puisse dicter l'Orange ou France Telecom, M. le président.

A la page 8, section 69 du rapport du budget, le ministre parle de construction de *hi-tech industrial parks*. Encore une fois, M. le président, que du temps perdu. Le projet de *Business Parks* de Rose Belle démontre encore une fois le manque de vision de ce gouvernement. Un projet, qui était dû *Plug and Play*, a été abandonné parce que c'était un projet du gouvernement MMM/MSM. Au lieu d'avoir des *Business Parks* à Rose Belle, on a eu droit à des champs de légumes avec pour résultat que tous les investissements encourus sur ce projet en terme de câblage sont partis en fumée. Sept longues années sont passées pour venir avouer aujourd'hui, M. le président, qu'il faut développer les *hi-tech industrial parks* dans ce secteur. Imaginez si le gouvernement avait en 2005 déjà utilisé le potentiel de ce secteur, on aurait eu une autre *Ebène City* à Rose Belle. Comme on dit mieux vaut tard que jamais.

Aujourd'hui, notre secteur du TIC souffre d'un manque de personnel qualifié car les autorités concernées n'ont pas assez fait pour orienter les étudiants vers les filières dont avait

besoin le pays et le secteur lui-même. D'ailleurs le gouvernement reconnaît. Ils avaient quelques temps de cela annoncé, en grande pompe, la création d'un *ICT Academy* avec justement pour objectif de répondre à ce manque d'expertise. Malheureusement, M. le président, l'académie n'a jamais pu prendre son envol et d'ailleurs on n'en parle plus. On avait même nommé un professionnel pour diriger l'académie, mais pour des raisons inconnues, rien n'a été fait et la personne nommée est déjà partie. Ce n'est pas du sérieux, M. le président. On se doit être avant-gardiste. Mais comme on dit on attend à ce que maintenant les choses vont bouger déjà qu'on a réalisé que ce secteur est un secteur porteur.

Une autre occasion ratée pour améliorer les compétences locales dans le secteur du TIC est le fameux projet de la nouvelle carte d'identité nationale où le gouvernement est venu vanter le mérite d'une compagnie Singapourienne mettant en cause les manquements de nos operateurs locaux en matière de sécurité.

Imaginez les avantages que ce secteur aura pu avoir si un partenariat aurait pu être dégagé entre un fournisseur étranger et nos opérateurs locaux ne ce reste qu'en terme de *Capacity Building*. Une fois ces compétences acquises, nous aurions pu les revendre dans la région pour des projets similaires.

Malheureusement, encore une fois, M. le président, ce sont d'autres considérations propres au gouvernement qui a pris le dessus. R 1.1 milliard, M. le président, parties à l'étranger alors qu'on vient nous dire dans ce budget que nos compatriotes ont du talent et qu'il existe un gros potentiel dans ce secteur. Which is which, Mr Deputy Speaker, Sir?

Un autre aspect qu'on a oublié complètement concernant ce secteur, M. le président, et qui a toute son importance, c'est le *cyber crime*. On a témoigné quelques dérapages cette année-ci et si on ne prend pas les mesures appropriées ou encore former les personnes pour prévenir de tout abus car tout le secteur peut être menacé. Il y va même de l'unité nationale, M. le président.

Un autre secteur qui a été oublié l'année dernière et encore une fois mis à l'écart cette année-ci est bien l'agriculture et, en particulier, le secteur sucre. Dans le Budget 2012, une mesure avait été annoncée pour que les planteurs puissent avoir le remboursement de la TVA sur les achats de certains équipements. M. le président, ce *scheme* a été un *flop* total. Moins d'un pour cent des planteurs ont pris avantage de cette mesure et voilà que le ministre des Finances récidive dans son budget de 2013.

Revenons, M. le président, à ce fameux *deal* historique entre le gouvernement et la MSPA où 1,000 arpents de terre ont été cédés au gouvernement. Combien de ces terres sont vraiment occupées sous culture vivrière aujourd'hui, qui répond aux objectifs du projet de la sécurité alimentaire? Tant de points noirs à éclaircir, M. le président !

Mais justement, M. le président, en matière de sécurité alimentaire, Maurice fait pale figure en Afrique, 40^{ème} sur 42 pays Africains. C'est ce qui ressort des dernières données compilées par la fondation pour le renforcement des capacités en Afrique. En effet, sur 42 pays ciblés, Maurice occupe seulement le 40^{ème} rang ne surclassant que la Mauritanie et Madagascar. Et, pourtant, représenté comme la clef de la sécurité alimentaire pour la région. En effet, M. le président, ce classement pour l'année 2012 montre l'échec total de la politique agricole des autorités locales en faveur de la sécurité alimentaire, surtout l'ACBF, c'est-à-dire la fondation des renforcements des capacités en Afrique, pointe du doigt le faible niveau de renforcement des capacités des agriculteurs mauriciens. En d'autres termes, M. le président, il s'agit de donner les moyens aux autres agriculteurs, dont les petits planteurs, de contribuer à la production agricole de manière durable afin de diminuer la dépendance aux importations.

Alors que le budget parle de la conquête de l'Afrique, c'est clair, M. le président, que l'Afrique n'a pas de leçon à recevoir de nous en matière de la sécurité alimentaire. Un autre secteur, M. le président, qui est menacé, c'est la recherche agricole. Quelqu'un avait bien dit : *either you innovate or you evaporate*. Et c'est bien à travers la recherche qu'on peut innover, M. le président. La recherche dans l'industrie sucrière connaît actuellement une mort lente depuis la création de la Mauritius Cane Industry Authority.

M. le président, le MSIRI, une institution qui a un passé glorieux et une réputation internationale reconnue et, après 60 ans d'existence, a perdu de son indépendance d'opération et si on tue la recherche, on tue l'avenir même de l'industrie cannière et tout ce qui en dépend. On parle beaucoup d'opportunités en Afrique, M. le président. Imaginez le service qu'on aurait pu vendre en Afrique ou bien même en Asie dans le domaine agricole et sucrier et, malheureusement, si les personnes nommées à diriger ces institutions ne sont pas avant-gardistes, le pays en paiera les conséquences.

Mr Speaker, Sir, the Minister of Finance agrees that agriculture remains a critical part of our economy and yet the measures which have been announced in the 2013 Budget are far and few and very scanty. These measures do not pay justice to the attention which the agricultural

sector needs. Mr Deputy Speaker, Sir, the Minister is trying to promote organic farming and if it is for household purpose, then so much the better. But when it comes to organic farming on a commercial basis, we should not fool ourselves, Mr Deputy Speaker, Sir. We have limited land resources and to be able to undertake organic farming, we need to have vast stretch of land and the main reason is that the basis for organic farming, as the name suggests, we need to make use of nutrients from organic sources and this is pretty non-existent here in this country.

Mr Deputy Speaker, Sir, the House will note that we had in the past tried to produce organic sugar and this proved to be unsuccessful and the main reason was that the high costs of production. Furthermore, to be able to export organic products, we need to adhere to stringent norms, especially if you want to export to the European market.

Mr Deputy Speaker, Sir, what would have been more rational is sustainable farming using nutrients from both sources, that is, organic origin and also inorganic fertilizers.

Mr Deputy Speaker, Sir, lets now talk about the greater packages to support farmers as stipulated in the Budget 2013. I wish we could see a greater package proposed by the Minister of Finance for the support of the farmers. I mean if we were to draw an analogy between what was proposed in the ERCP (the Economic Restructuring and Competitiveness Programme) and what is being proposed in this Budget, we can hardly make any comparison.

Mr Deputy Speaker, Sir, regarding land use, I would say a rational use of our land resources does make sense. The hon. Minister does agree that the loss of land is a major concern. Yet again, when we see at the policy being proposed, he hardly addresses that issue. The Land Conversion Committee will elaborate criteria for land conversion, Mr Deputy Speaker, Sir, but this Committee which looks at land conversion is only a forum which processes the application of land conversion. What we need here is to develop policy matters on which the Land Conversion Committee will be able to take decisions. So, again not much has gone in the thinking process.

Mr Deputy Speaker, Sir, the Minister mentioned that no land should lie idle and the MCIA will compile information on the availability of land. We heard that a first meeting was held with all the stakeholders quite some time back, but since then nothing has been done. This again Mr Deputy Speaker, Sir, *un coup d'épée dans l'eau*. It was mentioned that the MCIA would look into the matter and that was sometime back and it has been now eight months since the creation of the MCIA following the enactment of the MCIA Act. More than five years after the MAAS

has lapsed, what has been the output, Mr Deputy Speaker, Sir? Nothing much! Is that what we call the *bilan* of this Government in terms of *la politique agricole, M. le président*? Another big shot is the setting up of the Cane Democratisation Fund announced years back and this has remained a vain word, Mr Deputy Speaker, Sir.

The House will note that in its Budget proposals for the period July to December 2009 the Government had provided for small planters and workers to join the shareholding of all new ventures under the Sugar Sector Reform Plan and with up to 35% shareholding. The House, Mr Deputy Speaker, Sir, will also note that one of the major achievements claimed by this Government during its previous mandate was the so-called historic deal in December 2007 by the hon. Prime Minister, to open shareholding in the sugar industry to planters, labourers and artisans.

Mr Deputy Speaker, Sir, my understanding is that Government has acquired 35% stake in *Compagnie Sucrière Du Sud* and the Fuel Refinery with a total investment of some Rs275 m., Mr Deputy Speaker, Sir. More than three years have lapsed and nothing has been achieved except for the selling of the shares. You will agree with me, Mr Deputy Speaker, Sir, had the shares been appropriated to the small planters and workers, I am sure this would have helped the planters to increase their revenue and keep them in business maybe due to the decrease in revenue we have the number of small planters continue to dwindle from over 25,000 just a few years back to just over 19,000 today, Mr Deputy Speaker, Sir.

Yet, the Government speaks of progress, but nothing has been done so far with regard to that historic deal. There has not been one single planter or worker who has obtained one single share.

Again, with regard to the IPP contract, so much has been said about that, and we also know that the consultant working on that issue has submitted his report a long time back, but since then there has been nothing. Nothing, Mr Deputy Speaker, Sir, and yet we call this a major breakthrough.

Mr Deputy Speaker, Sir, another venture which is the production of ethanol; this has remained, as I said, at a standstill and we all know that ethanol production is an important feature to increase value added and help to increase profitability of producers. There is the need to have an ethanol use framework which would, amongst others, include issues like -

- blending mix;

- availability of molasses, a price mechanism for the acquisition of molasses;
- defining strategic partners and equity participation by stakeholders of the industry;
- environmental issues;
- vinasse management;
- carbon credits, and
- a long-term strategy how we go about in the whole project of the MID.

Yet, nothing has been done, Mr Deputy Speaker, Sir. The potential is there, yet this Government does not want to see nor does it want to act.

However, there is one condition to the historic deal that the Government did not waste time to implement and that is the increase in price of sugar on the local market and the liberalisation of the market.

The outcome, Mr Deputy Speaker, Sir, is that the price of sugar locally has gone up by more than 700% over the last four years and what is even more of a concern is that we have now on our market, low quality sugar imported from the Far East.

Despite the fact that the Mauritius Sugar Syndicate has raised the alarm; nothing has been done to take remedial actions.

On one hand, Mr Deputy Speaker, Sir, we are known to be a high quality sugar producing country and yet, our population is being supplied with lower grade sugar. *Quel dommage, M. le président.*

Mr Deputy Speaker, Sir, there is so much to tell about Agriculture. If we just talk a bit about the Field Operations, Regrouping and Irrigation Project (commonly known as the FORIP).

The Minister of Finance boasts himself for having increased the funding to FORIP from Rs351 m. to Rs458 m. Again, Mr Deputy Speaker, Sir, we are fooling ourselves. If we look at the Programme Based Budgeting we have retained an area of 1,300 hectares for the three years, 2013, 2014 and 2015. I presume it is the same for 2012. With time the cost is increasing and it is quite inevitable that we would need to increase funding if we are to maintain the acreage to be catered for in FORIP.

One other thing is that, Mr Deputy Speaker, Sir, I fail to understand how FORIP will be used to benefit non-cane growers. I mean the whole idea behind FORIP is to consolidate small parcels of land so as to be able to benefit from economies of scale in the sugar sector. At least eight hectares to maintain and consolidate the efficiency of the cane industry.

Mr Deputy Speaker, Sir, I wish the hon. Minister could tell us how the non-cane farmers will benefit and how much of the Fund they will be able to benefit. Mr Deputy Speaker, Sir, what about the credit line of Rs100 m. announced in the Budget 2008 and 2009 to be used to finance the acquisition of equipment, in particular to Small and Medium Operators, and that again, was another scheme that did not work, Mr Deputy Speaker, Sir.

Nobody was interested in the scheme because the interest rate charges were well above 8% and the operators could get better rates elsewhere.

Worse still to come, Mr Deputy Speaker, Sir, nothing has been achieved and we would wish the hon. Minister could tell us what has happened to that Fund that was made available by Government.

Mr Deputy Speaker, Sir, with the reform in the sugar sector and with people going on voluntary retirement, the trade unionists of that sector did suffer from a loss of membership and we all know their contribution to improve the conditions of work of the workers of that industry.

Under the ERCP a yearly amount of Rs2 m. was supposed to be credited to the Training and Modernisation Fund for the Trade Unions in the sugar sector. Mr Deputy Speaker, Sir, the Trade Unions in the sugar industry has played important roles in the development of the industry. We need to recognise that contribution, but they also need now to adapt themselves. So far nothing has been done. No money has been put at their disposal.

Three years have elapsed. Nothing done! No support to Trade Unions to help them to face the dilemma of that decrease in membership.

Mr Deputy Speaker, Sir, let me now turn to Africa which is the buzzword today. I mean since 2010, Africa is booming and even Shakira the pop singer came with the single 'This Is Africa' to boast the wakening up of Africa in line with the World Cup being hosted in South Africa.

Mr Deputy Speaker, Sir, in fact, nobody disputes the fact that the fate of our country is and will be heavily dependent on the rise of Africa. We have witnessed this a long time back. Many of our companies are well established in the African sub continent and be it in agriculture, manufacturing industries or indeed in the new generation industry like IT and others. Mr Deputy Speaker, Sir, this is related to the numerous reasons known to one and all, which are large stretch of land, abundance of natural resources and low cost of production.

Mr Deputy Speaker, Sir, the hon. Minister of Finance mentioned that our comprehensive strategy in Africa is greatly appreciated in the continent.

Mr Deputy Speaker, Sir, all the hon. Minister is telling us is just *effet d'annonce*. We would expect the hon. Minister to be bold in his approach and tell the House what concrete measures he will undertake. We expected the hon. Minister to tell us what concrete role Mauritius is going to play on the African continent. Our level of development and our infrastructure should be exploited; our service industry to develop, and get our friends in Africa to use our services. But, sincerely, there is no mention at all of any concrete and bold measures. Mr Deputy Speaker, Sir, I suppose this is done on purpose, and that next year, when the hon. Vice-Prime minister will come to present his Budget, he is going to tell us there is another measure which he has and willing to implement.

Mr Deputy Speaker, Sir, we all know very well that nobody owes us a living. What I want to say is that if we look at China and India, they haven't waited for us. They are there already, and they are investing massively and, yet, we, despite having so much know-how, have done nothing. Maybe, investing in the appointment of two roving ambassadors to participate in the rising of Africa that is what we have achieved so far. Surely, Mr Deputy Speaker, Sir, if the Government was committed to grab the opportunities in Africa, I feel it should have appointed competent and qualified people in Africa who have good understanding of Africa, and not any Tom, Dick and Harry. Our ambassadors would have raised crucial issues like flight and maritime connection. I wonder, Mr Deputy Speaker, Sir, what added value those roving ambassadors would bring to Mauritius.

M. le président, ce budget vient aussi démontrer que ce gouvernement avance à reculons. A la page 13, section 115, enfin l'honorable ministre des Finances vient reconnaître que le projet de faire de Maurice une île hors taxe a le mérite voulu. Par fanatisme politique, le projet *tax free island* est resté au frigo, M. le président. Ce qui est dommage c'est encore une fois du temps perdu. Imaginez, M. le président, les opportunités ratées avec l'émergence des touristes indiens, chinois et africains.

M. le président une autre mesure annoncée dans le budget concerne les prêts offerts aux étudiants. Encore une fois, son prédécesseur, l'honorable Pravind Jugnauth, avait déjà préconisé cette mesure en 2005, et encore une fois, par fanatisme politique, cette mesure a été mise au

placard au détriment de milliers étudiants. Imaginez le tort fait à tant d'étudiants qui avaient besoin de ce genre d'aide ces derniers sept ans.

Ces mêmes personnes au gouvernement qui avaient applaudi lorsque le ministre des Finances d'alors avait aboli cette mesure sont aujourd'hui en train de féliciter le ministre pour l'avoir réintroduite. *Shame*, M. le président !

Ce n'est pas fini, M. le président. Il y a une autre mesure concernant les petites entreprises et leur enregistrement auprès de la TVA. Avant 2005, il fallait dépasser le seuil de R 5 millions de chiffre d'affaires pour que des *VAT returns* soient obligatoires pour les entreprises. Ce seuil a été ramené à R 2 millions après 2005. On avait, à juste titre, attiré l'attention du gouvernement que cette décision allait pénaliser les petites entreprises et les boutiques du village en termes de tracasseries administratives. Il aura fallu attendre sept longues années pour que l'honorable ministre vienne dire qu'on avait raison, M. le président.

La même chose pour les déductions d'impôt. Avant 2005, les contribuables pouvait déduire de leurs revenus imposables la prime payée pour un plan médical. Après 2005, d'un coup de plume, ce n'était plus possible, et cela a causé pas mal de problèmes à ceux qui avaient de tels plans médicaux. Aujourd'hui, avec le rétablissement de cette mesure, l'honorable ministre concède que c'était une erreur grossière d'avoir privé les contribuables d'assurer eux-mêmes leur santé.

M. le président, à la page 18, section 159, l'honorable ministre parle des coûts prohibitifs pour faire des *pre-market tests*, et avoir une certification. Mais, laissez-moi vous rappeler, M. le président, que le gouvernement MSM-MMM avait initié le projet de construire un *food and technology lab* pour justement répondre à ce besoin, et encore une fois, le projet est resté bloqué au fond d'un tiroir, et aujourd'hui on voit sa pertinence.

Ces exemples mettent en évidence ce qu'on a eu ces sept dernières années ; comme on dit, un gouvernement qui gouverne par *trial and error*. M. le président, plus amateur que cela tu meurs !

M. le président, l'année dernière, l'honorable ministre des Finances est venu abolir plusieurs taxes qui ciblaient les riches, notamment le *solidarity tax* et *capital gains tax*, et en même temps il avait introduit une nouvelle taxe qui touchait principalement les jeunes, et là je parle de la taxe de 20% sur chaque SMS envoyé. L'honorable ministre et ses ardents défenseurs clamaient qu'avec l'abolition de ces taxes, le FDI allait couler à flot. On connaît tous aujourd'hui

le niveau du FDI en 2012. M. le président ce sont les jeunes qui ont aidé à consolider la caisse de l'Etat, alors que les *high income earners* continuent à grossir leur compte en banque. Voilà une politique fiscale d'un gouvernement qui taxe les moins lotis pour enrichir les mieux fortunés.

Pour le budget 2013, l'honorable ministre récidive encore une fois, M. le président. L'*income tax threshold* est resté inchangé. Toute augmentation salariale sera frappée à la source de 15%. Déjà que la compensation salariale payée en 2013 est moins que le taux d'inflation réel, voilà que 15% vont être prélevés en forme d'*income tax*.

Ceci s'applique aussi à tous les fonctionnaires qui vont voir leur augmentation de salaire, comme préconisée dans le PRB, réduite de 15% immédiatement. Pas de changement pour les petits employés, mais pour ceux qui bénéficient d'une voiture de fonction, une *company car*, je note -

"We are increasing the taxation of benefits for company and official cars by 50%."

M. le président, parlons de bien-être de nos Mauriciens. Pour combattre le problème de *Non-Communicable Disease* comme le diabète, au lieu de comprendre le fond du problème et prendre les mesures qui s'imposent, l'honorable ministre des Finances cherche la facilité encore une fois. Nous sommes tous d'accord qu'un train de vie sédentaire peut augmenter le risque de diabète. Par contre, quelqu'un pourrait consommer une boisson gazeuse pour son apport calorifique sans pourtant être à risque s'il mène une vie saine et équilibrée. Cette nouvelle taxe de deux sous sur chaque gramme de sucre que contient une boisson gazeuse touche tous les consommateurs de boisson gazeuse sans distinction. D'après mes calculs, M. le président cette taxe va rapporter R 400 millions à la caisse du gouvernement. 20,000 tonnes de sucre vont annuellement dans la fabrication des boissons gazeuses. Deux sous par gramme de sucre, le calcul est simple, M. le président. Mais, ne faudrait-il pas donner les moyens aux ONG et autres institutions pour l'éducation de la population en matière de risques liés aux *Non Communicable Diseases*, M. le président?

M. le président, en parallèle, était-il important que le ministre baisse la taxe sur les motos grosses cylindrées qui sont très prisées ces jours-ci par un certain groupe des personnes.

La baisse du *duty* sur les motocyclettes de 200cc cible cette catégorie des gens qui font les courses à moto sur nos autoroutes aux petites heures du matin. Ce n'est pas les petits travailleurs qui vont en profiter, M. le président.

M. le président, le mauricien moyen fait beaucoup d'efforts pour atteindre un certain niveau de confort et posséder une voiture est une consécration de toute une vie pour beaucoup. Baisser la taxe sur le *vintage cars* ne va en aucun manière toucher cette catégorie des mauriciens.

Encore une fois, ce sont ceux qui peuvent se permettre d'avoir une voiture de collection exposée dans leur cour et faire une ballade une fois par mois, comme on dit si bien à Maurice pour 'glacer' en ville, qui vont bénéficier de cette mesure. Croyez-moi, M. le président, ces personnes ne font surtout pas partie des mauriciens moyens.

Une autre mesure fiscale qui frôle l'indécence et quand le ministre vient augmenter par cinq fois la *licence fee* et autre frais associés aux détenteurs d'un fusil. Au point que le ministre n'a pas osé mentionner le montant total de l'augmentation dans son discours du budget. Pour votre information, M. le président, l'augmentation annuelle passera de R 2,500 à R 12,500. Faire croire que ça ne touche que les propriétaires de chassées est totalement faux, M. le président.

(Interruptions)

Je connais beaucoup de gens dans ma circonscription qui ont fréquenté des chassées parce qu'ils habitent dans les régions où se trouvent des chassées. Ils ont hérité des fusils qui sont passés de père en fils. Ils ne sont pas des barons, M. le président, mais eux-aussi vont devoir payer cette augmentation, faute de quoi ils vont devoir rendre ces fusils de chasse. Avec cette mesure effectivement ce n'est que les propriétaires de chassées qui vont garder les fusils et les autres vont devoir les rendre. Comme je dis au final ce sont les grands propriétaires des chassées qui vont profiter de la chasse. Je pense M. le président, que le ministre doit revoir sa copie.

To conclude, Mr Deputy Speaker, Sir, last year, in the budget documents, the Minister of Finance proudly showed a photo of himself. But, this year, this photo is no more. This shows that he himself does not want to take paternity of this Budget. Even his ally, the Labour Party is keeping away from that Budget. This says it all, Mr Deputy Speaker, Sir. Thank you.

The Deputy Speaker: Hon. Members, I suspend the sitting for one hour for dinner.

At 07.37 p.m. the sitting was suspended.

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

The Minister of Foreign Affairs, Regional Integration and International Trade (Dr. A. Boolell): Mr Speaker, Sir, I have listened rather intently to the speech delivered by the previous orator, hon. Seeruttun and am rather appalled and shocked because I would have

thought that since he has been in this House and he is serving, if I am not mistaken, a first term. He had been with us. He was a backbencher on the Government bench and he was fully participative in the reform process. I would have fought that he would have got his facts right. Instead, I am not going to say that he misled us, but certainly the stated facts were erroneous. For him, probably there were facts, but to us they were erroneous statements by the hon. Member whom I thought would have acted more responsibly. Let me take the case of the IPP and I feel like saying that the hon. Member is holding brief for the Independent Power Producers. I am not going to recall the outcome of the Illovo deal, but let me tell him one thing. The consultant was appointed first and foremost by the Independent Power Producers. Of course, there was a consensus between Government and the Independent Power Producers, but I reiterate what I have stated they were appointed first and foremost by the Independent Power Producers. Hunton Williams submitted his report in October 2010. Unfortunately the sugar producers have not acted in good faith. Instead they lodged a case before the court against the consultant and the result is obvious. What were the grievances? The findings which were conclusive apparently were detrimental to their interest. It is like a *déjà vu, déjà entendu* phenomenon. Of course, the Prime Minister does not rest on his laurels. He convened meetings because he is a strong preacher of dialogue; impressed upon our friends from the sugar sector to come to terms with the findings of the report. Instead they are taking their time and I don't know whether deliberately our friends from the sugar industry want to foil the process of democratisation of the sugar cane industry. Besides, Mr Speaker, Sir, the IPP had to come to terms and it would be as I say in their interest to respond to the legitimate call of the Prime Minister because as we have always stated there is an organic link between planters and sugar producers as a whole. If the sugar producers choose to sever that link and then they are going to be very provocative and I think it would not be in their interest. Besides the Independent Power Purchase Agreement comes for review very soon and it is going to be reassessed to ensure that the interest of all stakeholders are taken on board. Already the planters are entitled to a premium on the sale of molasses. There is a sugarcane factory namely Omnicane which has been rather forward looking, proactive and certainly has implemented policy spelt out by Government as far as the 35% shareholding is concerned. FUEL has made a promise and it has yet to honour its commitment *vis à vis* the planters. However, Government has not rested on its laurel. The issue has been referred to the Ministry of Finance with the outcome of setting up of a warehouse to hold the shares of the Cane Democratisation

Fund. So, I would ask my friend to think twice before he utters what, in his mind, may be a statement, but which unfortunately smacks of words which are not true.

Mr Speaker, Sir, on the issue of Field Operations, Regrouping and Irrigation Project (FORIP), the Government is walking an extra mile precisely to help the small planters. What is the objective? To encourage regrouping of planters, to have economies of scale, but Government has gone further by ensuring that they are entitled to irrigation network because we want them to improve their yield notwithstanding all the technical assistance and accompanying measures which are being dispensed to planters. It is a fact. Some of the land can be small plots and scattered and it is very difficult at times to regroup the planters. What has the Government done? What has my colleague, the Minister of Agro Industry and Food Security done? He is seeing to it that small planters, irrespective of the size of the plot of land, should be entitled to the preparation of land notwithstanding irrigation network which is going to be laid infield. So, this is an additional bonus. Those, whose land is located in strategic places, are allowed to leverage the land; use their assets to be part of the ERS project. The opportunities for the planters, Mr Speaker, Sir, are knocking because this is a Government which is keen to bring into the economic mainstream those who are at the lower rung of the ladder, those who are weak and those who are vulnerable. We need to accompany them and it is precisely because we are accompanying them that we entered into an agreement with Suzuker where there is predictability and reliability where there is guaranteed market access and where they get a premium if the price of sugar on the world market goes up, rises. So, I do not understand hon. Seeruttun when he stated that this Government is indifferent, is insensitive to the interests of the planters.

Mr Speaker, Sir, we are Small Island Developing States and with the resources which we disburse to the members of the planting community, pig breeders and cattle breeders, I think when you compare us to other countries, we can say that we act responsibly, we meet their needs, but, of course, we would like to do more. But to do more, Mr Speaker, Sir, we have to make sure that the resources are available. But the planters cannot complain. Under difficult circumstances, Government comes with a host of incentives and facilities which are clearly spelt out in the Budget Speech.

Mr Speaker, Sir, this is a Government which acts responsibly and there is no act of folly when it comes to implementation of policies. One has to understand that today access to information, as I am in the habit of saying, is not a privilege of the handful few who can afford to

buy magazines and drop the names of a few head of States to impress others. Access to information has become a human right. This is why we are trying to bridge the digital divide and we are making access to information not only a right, but we are reaching out to those who still think that it is a luxury. We agree with hon. Seeruttun, precisely because no one owes us a living, and preferences are over, that we need to get on our bikes, pull our socks and deliver. There is no politics of *zamindar* in this country, Mr Speaker, Sir. Those days are gone because this is a Government which preaches inclusiveness and we believe in broadening the opportunities for everyone to grasp. It is in this vein that the Vice-Prime Minister, Minister of Finance has acted in a very prudent manner. Hon. Dr. Bunwaree was right to point out that the Vice-Prime Minister, Minister of Finance has adopted prudent macro-economic policies, and there are lessons to be learnt, Mr Speaker, Sir, from sovereign debt crisis. Greece has a huge public debt, if we compute it as a percentage of its GDP, it is more than 190%, and I do not know whether Greece will make it or will cave in, Mr Speaker, Sir. But it is good to remind ourselves how it all started. It started, of course, in the US with overzealous subprime lending and we know the nexus between the banking and the mortgage-housing sector and this severely impacted upon the banking sector with the consequences of a financial crisis.

Those who went on a borrowing spree were literally caught with their pants down because when the interest rate went up, Mr Speaker, Sir, they could not afford to reimburse the loan and the banks which have issued loans to the housing agencies went bust and who guarantee those loans? Governments! And when Government was not able to repay, it had to borrow. And what happens to its credit rating? What happens is capital flight? Mr Speaker, Sir, this is a wakeup call. I say it is a wakeup call for reasons which are obvious. We cannot live beyond our means and it is this Government which embarks upon macro economic reform policies in 2005 and upon sectoral reform and we were able in the words of a former Vice-Prime Minister, Minister of Finance, to reap the benefit of a structural changes. As we are about to harvest the first crop, we are hit by a crisis worse than the one which occurred in 1930 and today there is a risk of a double dip recession. One should not forget this, Mr Speaker, Sir. There is a risk of double-dip recession. We know what Ireland and Iceland went through. We do not know whether, as I have stated earlier, Greece will cave in. We do not know whether they would be able to save Euro. These are facts, Mr Speaker, Sir. What can little Mauritius do under the circumstances, Mr

Speaker, Sir? What we can do, Mr Speaker, Sir, is to be prudent, pragmatic, practical and to embrace policies which are transparent and accountable.

Let me give another example of our prudent stance. It has been the constitution of a National Resilience Fund. What is the relevance and importance of this National Resilience Fund, Mr Speaker, Sir? In case of severe crisis credit internationally, as I have stated, it could affect our domestic credit condition and we must be able to ensure a fully reliable source of funding to maintain Government expenditure. The resources of the National Resilience Fund will provide a country the needed support if you are hit by a global crisis. What has the Opposition been saying in this House and outside? That since Government has the financial resources, therefore, we are called upon to utilise the resources of the National Resilience Fund to increase budgetary resources and other Government spending and even at one time I heard, if I am not mistaken, hon. Li Kwong Wing on the radio saying that we can bring down value added taxes. Mr Speaker, Sir, I am not going to remind them of a 50% increase in value added taxes and, of course, the introduction of the Sales Tax. But we just came back, Mr Speaker, Sir, from the *Francophonie* Conference. The spokesperson for Romania came to see me and I was asked by the Prime Minister to meet him. You know what was the first question he put to us? How did you do it? Tell us about the Mauritian miracle! Despite the fact that you have no resources, but I told him, we have human capital. We may not have resources, but we have human capital. Do you know what Romania had recently done?

(Interruptions)

Of course, the able leader! One and only! What did they say? They have increased their VAT from 14% to 19% and they asked their civil servants to take a cut in their wages by 25%, Mr Speaker, Sir. And what have we done here? We have honoured our commitment vis-à-vis the civil servants notwithstanding, of course, some complaints that have been registered. The Prime Minister had a meeting with the trade unions and agreed to address the omissions and errors if any, Mr Speaker, Sir.

Mr Speaker, Sir, we have no choice, as I have stated, but to adopt an intelligent approach to prevent adverse consequences of a global financial crisis which can affect all of us. When you look at the information that has been circulated in respect of mid-term framework agreement, we have said that we may have to allow the rupee to slide by 3.5% on annual basis. What is the purpose? It is not a question of devaluation, but we have to live with the harsh realities, we need

to keep people in employment, Mr Speaker, Sir. Not only we need to keep people in employment, but we are an export-led country and we have to keep our competitive edge. We do not have economies of scale like others, Mr Speaker, Sir. We cannot go for horizontal and vertical integration because we do not have the raw materials. So, we have to be practical, Mr Speaker, Sir. Of course, the Monetary Policy Committee will deliver on promises and will take on board the interest of all parties concerned, notwithstanding that we have to rein in inflation. We need to strike the right balance, Mr Speaker, Sir, and of course, it is precisely because we have created the fiscal space when you look at the total public debt as a percentage of GDP or the public debt as a percentage of GDP; total or the public sector debt on its own, we are well below the 60% mark. This means, Mr Speaker, Sir, with a Budget deficit which is 2.5%, we have been fiscally responsible and we have the fiscal space to use our resources judiciously.

Mr Speaker, Sir, what has been the criticism levelled against us? I was talking earlier to the hon. Vice-Prime Minister, Minister of Public Infrastructure, one was that we are not able to spend the resources earmarked for infrastructural purposes, not all of them and, second is that we do not have the absorptive capacity. But, what is Government doing? Notwithstanding the effort being put in by the hon. Minister to turn Mauritius into a *vaste chantier de construction*, Mr Speaker, Sir, the Government wants to address this issue upfront in a very forceful and meaningful manner. To address the issue of chronic underspending, and to ensure absorptive capacity, Government has appointed Mr Dev Manraj to set up a special unit and –

- the objective is rationalisation of procedures;
- appointment of full time evaluators of projects in relevant Ministries;
- all tender documents will be online to ensure better transparency;
- full amount of contractual value has to be clearly spelt out otherwise the Central Procurement Board will not allow Ministry to award contract to successful bidder;
- payment to be effected after Quantity Surveyor certification has been issued.

But, Mr Speaker, Sir, sometimes people can be difficult. An unsuccessful bidder, if he is dissatisfied, can always apply for independent review. That is his right. But, there are people who deliberately want to foil the system. Sometimes, Mr Speaker, Sir, there are some civil servants who do not act in a proactive manner - I am not saying that they are to be blamed. Sometimes they have to be extra cautious, but I am glad that Mr Dev Manraj, former Financial Secretary, is showing the way and we have to act diligently, but we have to act forcefully

because we want projects to be implemented. We can do it, Mr Speaker, Sir, I see no problem, but it is a question of our political will percolate to the civil servant to translate our words into action because we are monitoring. We have set up a Monitoring Implementation Committee. Monitoring can be one thing, but the dedication on behalf of everybody to accelerate the pace of reform can be sometimes difficult. But we appeal to one and all to honour their commitment and to live up to the expectation of our people, Mr Speaker, Sir.

Mr Speaker, Sir, let me come to the very essence of what is relevant to a small island developing State which sometimes has to face daunting challenges and which can be subject to the vagaries of climatic conditions. Whether we like it or not and being a country which is far away from remunerative market, despite crisis in the Euro zone, with euro and since we have concluded an interim economic partnership agreement which we have ratified together with Madagascar, Seychelles and Zimbabwe, there is predictability and reliability. Duty free, quota free for our products, but I agree, things have become difficult because those who purchase feel it difficult to acquire the goods and services which they used to take for granted. But, the EU market to which we have access remains our most prominent market, Mr Speaker, Sir. And it is in this context that I would like to reinforce what my colleague, the Minister responsible for Fisheries stated when he met the press on the issue of the bilateral fishing agreement which we signed first in 1989. Much has been said, Mr Speaker, Sir, unfortunately, again, the facts have not been stated.

So far, Mr Speaker, Sir, five successive protocols have been negotiated, spelling out the terms and conditions of access for the EU fishing vessels to our fisheries resources, mainly tuna in the waters of our jurisdiction. The last protocol expired in 2007 and since then, many attempts have been made to conclude a new fisheries partnership agreement, unlike the previous agreements that were mainly commercial in nature, that is, payment of monetary compensation against access to our tuna resource. I will put a lot of emphasis upon the ‘unlike the previous agreement’. When they refer to the provisions of the protocol, what we termed the Cotonou Partnership Agreement Article 35, of which Mauritius is part, I quote –

“The Parties declare their willingness to negotiate fishery agreements aimed at guaranteeing sustainable and mutually satisfactory conditions for fishing activities in ACP States.”

Where I feel sorry and regret that some of the people who have been trying to convey certain information to the press unfortunately have misled the press and I am glad that the matter has been raised. I also expect the EU to respond because they have a duty to respond to the criticisms levelled at us and at the EU. I welcome those criticisms; it gives us an opportunity to state facts and to convey to our friends that they need to be fully apprised of the relevant information before they dare to make any statement which can be erroneous. Because, Mr Speaker, Sir, before we enter into an agreement - this agreement which we negotiated and which we initialled - it has to be in conformity with the UN Convention on the law of the sea and the FAO Code on responsible fishing. The EU is also under obligation under the EU Common Fishery Policy to conduct impact assessment studies before concluding fishery agreement.

The EU has not signed this agreement with Mauritius alone. It has signed this agreement with 17 countries and, with the exception of Guatemala, all are ACP States including Comoros, Madagascar, Mauritius and Seychelles. The price paid for each tonne of tuna caught by the EU is the same.

Tuna is a migratory specie. Mauritius does not have any tuna fishing fleet at present to catch the tuna when they are present in its waters. Most of the stocks are healthy according to the independent scientific studies. The Fisheries Partnership Agreement will allow the catch of a reference tonnage of 5,500 tonnes against payment of Euro 350,000. This amount is payable even if the reference tonnage is not reached. The fisheries vessels have to pay also a licence fee, which may attain up to Euro 250,000 per annum if all licences are availed of.

Mr Speaker, Sir, an additional amount of 302,500 for the support and implementation of a maritime policy aimed at promoting sustainable fisheries development and management in Mauritius were also provided. The EU vessels besides how to operate beyond 15 nautical miles from the baselines and will not affect the fisheries aggregate devices which are placed at a distance of 2.5 to 10 nautical miles. So, our artisanal fishing will not be affected by the activities of the EU fishing activities.

Mr Speaker, Sir, it is good to know that the agreement provides for the possibility to employ 10 qualified seamen on board. More importantly through this agreement, our local tuna canneries can procure its supplies of originating raw tuna that meet also the stringent hygiene conditions, which are important conditions to benefit from duty and quota free access to the

lucrative EU market. The local canneries import more than 90,000 tonnes of raw tuna caught by the EU vessels in the region.

It is good to note, Mr Speaker, Sir, that the seafood sector is playing an increasingly important role with the export of Rs10 billion and the number of jobs that have been created directly and indirectly, that is, 6,000 jobs directly and 10,000 indirectly; an investment estimated at Rs18 billion, with another Rs10 billion in the pipeline for the purchase of five purse seiners, and the production of 30,000 tonnes of fish products annually for export.

The seafood sector is the one which has experienced a rise in export in both our traditional and new emerging markets, and the prospect in the Russian Federation and countries forming part of its Customs Union are quite good.

(Interruptions)

Mr Speaker: Please no interruptions!

Dr. A. Boolell: Mr Speaker, Sir, why did I have to highlight the relevance of the Fisheries Partnership Agreement? Simply to put an end to the wrong information that has been circulated. The contribution of this sector to our national economy is major. We have to bear in mind that the EU is currently financing also a number of regional projects, including the vessels monitoring system and tuna tagging, from which Mauritius benefits.

Mr Speaker, Sir, let us look at countries which have not taken advantage of the Interim Economic Partnership Agreement; which have refused to conclude or to ratify. What has happened to them? They opted for a generalised system of preferences, and now they are facing a lot of adversity because there is a levy upon their products and they don't know whether they will have security ...

(Interruptions)

Mr Speaker: Sorry, hon. Member, you have to apologise. No cross talking. You may proceed hon. Minister.

Dr. Boolell: We do not know, Mr Speaker, Sir, whether those countries will have to come back to better feelings and conclude this Interim Economic Partnership Agreement with the EU. We have the farsightedness to conclude the agreement, and we are looking forward to conclude a full EPA because concluding a full EPA means attracting investment and looking at sectors where jobs will be created, Mr Speaker, Sir. This country needs to export, and it needs foreign direct investment. When we look at what has been the outcome since we signed the Interim

Economic Partnership Agreement, exports from Mauritius have been increased by Rs6 billion on the EU market. Mauritius has registered export growth in some key sectors such as fisheries, which have been increased by 29%, article of precious stone by 25%, article of sport equipment by 25%, and apparels by around 6%, Mr Speaker, Sir. There are other opportunities knocking, Mr Speaker, Sir.

In a week's time, Mr Speaker, Sir, a major conference will be organised in Mauritius, which will be attended by the UN Secretary-General, on the Global Forum for Migration and Development. In addition, the EPA negotiations, as I have stated, could provide the possibility to secure temporarily employment of both skilled professionals and unskilled workers in the EU through a carefully crafted and managed sub-contracting scheme. It may provide a legal basis to negotiate a circular migration agreement with interested individual EU Member States, and this would be of particular interest to our educated young people and certain skilled manpower and professionals. So, it is because of our farsightedness that we have been able to strengthen the market that we already have. Now, there is predictability and reliability; it is World Trade Organisation compatible; it has legal security. There are more benefits accruing, Mr Speaker, Sir, because when the crisis will be behind the Euro zone countries and other member States of EU, the possibilities for our people to take up employment in EU, Mr Speaker, Sir, are very high.

Let me also highlight the merits of having a seamless extension of Third-Country Fabric when the Africa Growth Opportunities Act have been extended up to 2015, and which should be renewed without any problem. If there is an issue where there is bipartisan agreement, it is Africa, Mr Speaker, Sir. This is an issue in USA, where there is bipartisan agreement. I am glad that President Obama has been re-elected because of the particular interest that the Administration has for sub-Saharan Africa and Africa as a whole.

Besides, Mr Speaker, Sir, there was an excellent article, which appeared in 'International Herald', which made it very clear that against the backdrop of crisis and when even US is running out of steam to come up with emerging sectors, Africa is the continent that hold the promises. Then, we need to consolidate our markets, and we have to make sure that this market which we have provides us with the security that is needed for our exporters. To ensure that we were relentless in our objective, I wrote to Senator Menendez and Senator Coburn who had unrelated objection with respect to the proposed AGOA amendments. The Prime Minister too addressed a series of letters to the Speaker of the House, to Congressmen that had to be lobbied

and to Secretary of State Clinton for support to extend the derogation. It is worth noting, Mr Speaker, Sir, that is why I said that our interests is to safeguard the interests of exporters, to safeguard employment, to add value to the sector, to diversify the market because the possibility to export 6,400 products is a reality. It is worth noting that the AGOA third country fabric derogation has had a very positive impact on the export of our garments to the US. With the renewal of the Mauritius third country fabric provision in 2008, apparel export from Mauritius increased by 24% in 2010 and by 21% in 2011. During the period January to July 2012, apparel export rose by 10.28 %, moving Mauritius up into the third place among the AGOA apparel exporters for the first time. So what is it that we have to do? We have to think in terms of post AGOA 2015. The Americans are very keen to conclude an economic partnership agreement as similar to the one we enter into with Europe.

Mr Speaker, Sir, let us see what has to be done. The Ministry is collaborating with the USAID COMPETE Programme to elaborate a competitiveness AGOA strategy for Mauritius. A report is expected to assess current export to the US and identify scope for diversification of States as stated in other sectors with export potential. Although 90% of export to the US constitute of textile and apparel products, we have in the last few years succeeded in increasing exports of seafood, sunglasses, jewellery and other products.

We plan to hold a national workshop in the first quarter of next year to take cognizance of the AGOA competitiveness strategy and to agree on measures for its implementation. We have to focus on the strategic post-2015 to ensure, as I have stated, the extension of improved AGOA of a longer period wherein the Third-Country Fabric provisions are consolidated and not subjected to permit renewal as it creates unnecessary uncertainty, which is not conducive for stable trade and business relations.

Mr Speaker, Sir, when we attended the AGOA Conference in 2008, – if I am not mistaken, in Nairobi - we signed the TIFA agreement and, of course, the Representative of US was none other than the US Secretary of State. And we made a commitment that we are going to scale it up, and today, Mr Speaker, Sir, we are ready to sign the bilateral investment treaty with a view to attracting US investment into Mauritius and to encourage American investors to use Mauritius as a platform for outward investment on the African continent.

Mr Speaker, Sir, having addressed the challenges and prospects in our traditional market and relations with our traditional partners, I would like now to turn to Africa which is

increasingly being recognised as the continent of the future and the next growth pole of the world economy. It is good to remind the House, Mr Speaker, Sir, just prior to independence, we had already elaborated on our Africa strategy and Sir Seewoosagur Ramgoolam, Father of the Nation, with the help of the then President of Algeria and other Head States of the African Union put across the case of Mauritius to enlist the support of all member States.

There were some African leaders, Heads of States who were difficult. They did not have in mind Mauritius but they wanted to hit at Madagascar, wanted to keep its specificity and did not want to be a full member of the African Union. They raised the issue of OCAM (*Organisation Commune Africaine, Madagascar et Maurice*). But the then *premier*, Mr Speaker, Sir, impressed upon them as to the importance of island States being part of the African family. Our case was not only heard, but our case was entertained with all the fraternal welcome and today we are reaping the benefit of the farsightedness of the Father of the Nation.

Mauritius is positioning itself to be the platform for the tourism sector, for the sugarcane industry, IT sector to some extent but we want to become a platform for the financial services. Before I come to the platform which we want to become and the regional headquarters which we want to be Mr Speaker, Sir, let me refer to findings of certain reports, the Mackenzie report, the African development outlook prepared jointly by the UNICA and OECD. The World Economic Outlook 2013, the Africa Rising report - the Canadian Council for Africa, the World Bank, the ADB and you know what the ADB has stated. ADB (African Bank Development) has stated very clearly – “To those companies which want to invest on the African continent, to domicile in Mauritius...” - because Mauritius is a country where we have embraced democratic values where the line of demarcation between democratic institution are wide, where we have liberalised our legal and financial services, where we set up an International Arbitration Centre.

Mauritius has all the ingredients to be the platform and we are in the view – the finance of the report makes it quite clear - that the sustained growth rates on African continent are promising and expected, of course, to average beyond 5%, as compared to the economic growth performance of many countries in the West. You will recall, Mr Speaker, Sir, there was an author who wrote a book, if I am not mistaken the title of the book is “*l’Afrique Noire Est Mal Partie*”, written by Mr Dumont. Today I would advise our friend to read the book written by Severino ‘*Le Temps de l’Afrique*’. African Renaissance, Mr Speaker, Sir.

Today, Africa has an energy that has to be unleashed, a young population though 60% of that young population is yet to find employment. But they are determined, Mr Speaker, Sir, despite the fact that they have vast resources but the opportunities are there but we have to make sure that we grasp the opportunities and be party to the countries which are keen to invest on the African continent Mr Speaker, Sir. The level of growth on the African continent is not only due to a rise in the world market price for oil, minerals and agricultural commodities but also because of sound macroeconomic fundamentals of many African countries underpinned by the entrenchment of democracy, good governance and rule of law.

Today, many African Heads of States are being peer reviewed. They have to be sensitive to the voice of civil societies. I am not going to highlight the outcome of the Arab spring, but no one can be indifferent to the voice of the people. There are bloggers; today technology has reached out because the outreach has become possible and Africa is growing. There are megacities in the African continent; there are eight African countries which have been recognised as the world 20 fastest growing countries in the past five years, namely Angola, Botswana, Ethiopia, Rwanda, Sudan, Mozambique, Tanzania and Malawi.

And it has also, Mr Speaker, Sir, a burgeoning middle class. So, if there is a burgeoning middle class, it means that they have the purchasing power, goods and services which were not within their reach, today has become within their reach, Mr Speaker, Sir. This means the growing demand for goods, services, leisure, health and educational services. This is why I say that there are opportunities to be seized by our enterprise business community, Mr Speaker, Sir. Let me quote “The Economist” of 20 October 2012 -

“Africa is like India and China ten years ago.”

This is particularly the case in terms of the attraction of Foreign Direct Investment and re-localisation of certain industries from the developed countries. There is increasing interest from Business Schools, multinational companies, countries in the region itself to exploit the huge opportunities the continent offers.

Mr Speaker, Sir, the geese flyers are going to make a soft landing in Africa. We are talking of global outsourcing and this is where Mauritius has the edge and this is why we need to skill and reskill our workforce, to identify the needs not only on the domestic front but also on the regional, continental and international front, Mr Speaker, Sir. As we say, the geese flyers are going to make a soft landing, Mr Speaker, Sir.

So, we have to position ourselves and we have to make sure that the constraints that hinder the full exploitation of potential in Africa are met by countries willing to invest in Africa despite however small or big some of us are, Mr Speaker, Sir. We are talking of infrastructure, connectivity and inadequate human resources, Mr Speaker, Sir, and this is why we say that we can become the *pépinière* for Africa. We can service Africa because we have the resilience and we have an educated population that can be skilled and reskilled, and there are concerted efforts by the African Union, by the new economic partnership for the African Development Bank, the ADB to address these constraints. And what are the constraints? It is precisely because of the constraints that interregional trade is only 12% and if the constraints are addressed, infrastructure bottlenecks, if these are addressed, we have a wide market and we can go for deeper trade and economic interaction and the Programme for Infrastructure Development in Africa (PIDA) is a joint initiative of ADB, AU and NEPAD, Mr Speaker, Sir, to address this problem.

This is why we are going to identify people whom we are going to appoint in those mega cities and we are going to identify people who can respond to the needs of Mauritius and Africa. A consultant came to see me, a Mauritian, who is a friend of mine and who is based in Senegal, who has been there since a very long time, Mr Speaker, Sir, and he understands the culture, the specificities of Senegal, the needs of the people, how to address them and how to make it easy. Sometimes, you can comply with decision taken at regional level, but it is the person-to-person contact which makes the whole difference.

That's why, Mr Speaker, Sir, we have been able together with Congo-Brazzaville and Singapore to identify an area where special economic zone is going to be set up. When I talk, Mr Speaker, Sir, of special economic zone, what is true for Congo-Brazzaville is equally true for many other countries. This is why it is in the interest of Mauritius to be a member of not only the African Union but to see to it that the Tripartite Agreement, what we call the Tripartite Agreement of the COMESA- EAC-SADC, Mr Speaker, Sir, becomes a reality, because the wider the market, the bigger the opportunities and the investment that has to be made will be massive, Mr Speaker, Sir, and we fully support these initiatives.

Today, we are talking of Free Trade Agreement; in 2017, there will be continental Free Trade Agreement. We are talking of a market of one billion people with a burgeoning middle class, a market that stretches from Cairo to Cape Town and to Port Louis, Mr Speaker, Sir. So, investment will flow but Mauritius, on its own, cannot do much. This is why we need to link up

with the Diaspora. Call it transnational Indians; call it our friends from EU, and we need to make sure that we become a regional headquarters for many of these big companies. ACTIS, Mr Speaker, Sir, which has invested, if I am not mistaken, in property development in Mauritius and on the African continent; CIEL Group, which has joined forces with Kibo I and II, and has set up consortium and equity fund for investment on the African continent; the Omnicane group, which has raised fund with the support of European Investment Bank, IFC to invest in a renewable energy project in Kenya. But, these are big boys. Board of Investment, Enterprise Mauritius and SMEDA make it happen also for start-up companies, for small and medium-sized companies. Barker Shoes Ltd., Mr Speaker, Sir, has acquired contract to supply shoes to the army in Mozambique. Small and medium-sized entrepreneurs are moving in a big way. The biggest travel agency in Congo-Kinshasa is run by a young Mauritian. Mauritians are flapping their wings all over and in a very quiet manner, humble manner, and this is where we make the difference with others. We are no neo-coloniser, Mr Speaker, Sir. We are people who have earned respect, and the respect has been thrust upon us because we believe in parity of esteem and we make sure that we take on board the community. There is no investment that can be more judicious than taking on board the community of the area, Mr Speaker, Sir.

Mr Speaker, Sir, capital and investment flows from Africa which were destined to Europe and major centres on the west, is going towards Africa now, Mr Speaker, Sir. Therefore, we have to make sure that we become the platform, as I said, for regional headquarters of many of these big companies. Openness, Mr Speaker, Sir, pragmatic policies, and we have a host of incentives and facilities. In December, we will host an international conference on international arbitration. This shows that Mauritius is proactive; an institution which delivers on promises, Mr Speaker, Sir. This is why many of those companies want to domicile in Mauritius. We consolidate and widen the base through the number of Investment Promotion and Protection Agreement and Double Taxation Agreement which we conclude, Mr Speaker, Sir. So, this is very relevant and we are working also with likeminded countries to accelerate the economic transformation. We have invited our African friends to take advantage of the services of AFRITAC and the RMCE for capacity building. As the hon. Minister has stated, IMF has set up a regional capacity building for Africans in the region, Mr Speaker, Sir.

So, we are going a long way. Of course, we would like to accelerate the pace, Mr Speaker, Sir, but we want to be cautious and when we deliver; we deliver, Mr Speaker, Sir, with the force that is going to be reckoned by our friendly African States.

I have listened to some of the criticisms made by some of our friends outside this House and we need to listen. There is no harm in being criticised. More so if the criticism is constructive. Mr Speaker, Sir, we are re-assessing our policy and our strategy vis-à-vis Africa. We have commissioned a study on Look Africa Policy and a Global Africa Hub Strategy. We have also decided to establish a National Coordination Working Group on accelerated programme for Economic Integration. It will be a joint public-private sector and it will be assisted by five technical working groups.

But there is one thing that we need to do and if ever there has been a shortcoming in our policy, Mr Speaker, Sir, it is our absence in the post conflict reconstruction of African countries. I am not saying that we should be party to peace keeping forces, but it come to training of Police Forces in those countries during the reconstruction process, Mauritius has to be visible, Mr Speaker, Sir. We don't want our African friends to look upon us as a nation which is on a kin on trade and investment. As a nation of shopkeepers, this is not what we should convey to our African friends. We should be party also to the African reconstruction process, Mr Speaker, Sir.

Mr Speaker, Sir, let me raise a matter in the course of my presentation, which has been subject of not controversy, but subject of sometimes queries: the Protocol Manual to which Mauritius subscribes on the basis on international conventions such as Vienna Conventions and diplomatic relations, consular relations and customary international laws.

Since 2004, the Protocol Manual has been used effectively to provide services to the diplomatic and consular corps. It has been used as a guidance by other Ministries and departments in respect of protocols and ceremonial issues. Given that changes had occurred in terms of increase in the number diplomatic missions, international regional organisation, honorary consulates as well as their staff, and reciprocal arrangements are being implemented with the number of countries, new procedures, arrangements and regulations have been worked out to reflect those changes and provide a better service to the diplomatic and consular corps.

In the light of the above, it is proposed to review and update the 2004 Protocol Manual.

At the level of this Government, Mr Speaker, Sir, we are committed to the continued enhanced dialogue and engagement with the private sector for a concerted approach to tackling

the complexity of the economic challenges that confront Mauritius and ascertaining the potentials that could be exploited at local, regional and international level which bring me to the Indian Ocean Commission.

Efforts are underway to discuss the modalities for the setting up of an integrated economic and commercial zone. The reason is simple. We need economies of scale. We have to make the market more competitive and the zone, of course, would be primarily premised on economic complementarities and opportunities for development of dynamic competitive and comparative advantage activities.

Mr Speaker, Sir, the countries which are members of the Indian Ocean Commission have a population of 24 million people and with the economies of scale, Mr Speaker, Sir, provided we address supply side constraints, we can attract local and foreign investors and this is what is being done at the level of the IOC. At the level of the Indian Ocean RIM Association Regional Conference, we made a proposal to establish a free trade area and this is not only under consideration, but it has been agreed that Mauritius and Bangladesh would co-chair technical committees to pursue the PTA agenda and to oversee the conduct of the feasibility study.

What I am saying, Mr Speaker, Sir, loud and clear to all of us is that market access is not a problem. Our level of preparedness is not a problem, but we need have a cluster approach and we have to make sure that we grasp the opportunities and to do so, Mr Speaker, Sir, we have to live up to the expectations of those who are to buy our products. We need to maintain that competitive edge to consolidate and further strengthen our bilateral trade and economic relations.

We are targeting to –

- (i) widen the scope of bilateral cooperation where such cooperation exists with India, China and Pakistan and Singapore and initiating such cooperation where it does not exist or is still marginal;
- (ii) conclude Framework Agreements and MoUs;
- (iii) increase our exports to them;
- (iv) attract more tourists from them, and
- (v) targeting them for more investments inflows from them and attract them to use Mauritius as a gateway for investment, trade and business with Africa.

We will continue to place a high priority on the strategic partnership with India and China and initiating such partnership with other emerging economies in Asia namely Pakistan, Singapore, Japan, South Korea and Sri Lanka

Mr Speaker, Sir, we will keep an active watch on the Double Taxation Avoidance Agreement conventions including close scrutiny of development thereof in India, for example, General Anti-Avoidance Rule and Rogatory Commissions regarding assistance to India in Money Laundering and Anti-Corruption Matters.

We will continue to use the current and new bilateral mechanisms and high-level engagements to strengthen and expand cooperation. In the process, efforts will be redoubled for obtaining Observer Status with ASEAN. Special Focus on the Air Services Agreement with the East Asian Economies and China.

To conclude - further Agreements with major Asian countries such that, if not integration, association between Mauritius and Asia would have significantly translated our vision to Look and Go East into reality with sustainable trade, investments and tourism linkages. We spelt out in the Budget as one of the measures that we are going to make it easy for visitors for more than 75 countries to have either the visa being issued on arrival or that they could travel to Mauritius without any visa and this is very important, Mr Speaker, Sir. It is an early beginning in respect of having a fresh look at air access policy which remind me just to recall that inasmuch as we are all for access policy, but we have to make sure also, Mr Speaker, Sir, that there is a return on the investment. We are proceeding cautiously in respect of Africa. We want to have our hub and as time goes by with the increase number of people who are going to travel from China and Russia to Mauritius and if we look forward. Some of them, of course, will come as investors for outward investment on the African continent. We need also critical mass because with the number of shopping malls which will set up, Mr Speaker, Sir, we expect perhaps a Private Public Partnership to make acquisition of planes. Today, China and Brazil are constructing a hundred-passenger plane which can service the region. China and the Brazil are constructing a hundred passenger plane which can service the region. Mr Speaker, Sir, we have to make sure that private and public sectors make the most of these opportunities. It is not something that is going to happen overnight, but as time goes by and positive events unfold, Mr Speaker, Sir, we can certainly create a regional air service company to ferry passengers to and through important capitals on the continent.

On the other hand, Mr Speaker, Sir, we know what has been the fate of Air Afrique. Airline companies do not land despite the fact that they have landing rights following bilateral services agreement which were concluded if there is no return on the investment. You have seen what happened to Virgin Airways. We know the reason why it pulled out. Mr Speaker, Sir, our approach is one of caution and we have to make sure that inasmuch as we protect the interest of Air Mauritius, the interest of Mauritius comes first, Mr Speaker, Sir.

Mr Speaker, Sir, let me come to India. Of course, I have talked about the double taxation avoidance treaty, which is being re-assessed. There is joint working group which is meeting, which has submitted a document to address concerns and with highlights Mr Speaker, Sir, the merits of Article 13 that is the no capital gain tax. We are confident that the outcome will be very positive because at the political level, at the highest political level, the two heads of State, the Prime Minister of the Republic of Mauritius and the Prime Minister of India have stated very clearly that we are going to address each other's concern to safeguard the interest of both countries and consolidating our strengths Mr Speaker, Sir, also means the signing of a comprehensive economic partnership and co-operation agreement.

The global business sector remains an important pillar of our economy and is expected to grow even further as Mauritius takes steps to consolidate its already stringent legal and regulatory framework and maintain its good reputation as a clean jurisdiction.

We have indeed committed ourselves with our Treaty partners in a collaborative spirit with the common objective of ensuring that the Mauritius jurisdiction is not used by unscrupulous persons for purposes not meant by the Treaty.

It is in this context that the Government has in the early stages of discussions with the Indian authorities concluded a Tax Information Exchange Agreement which is now awaiting signature and we are also re-assessing the tax resident certificate to make it more stringent and to ensure that we give satisfaction to both parties which are concerned.

Mr Speaker, Sir, let me add, as Mauritius expands its network of Double Taxation Avoidance Treaty and IPPAs particularly with Africa, we expect and intend to develop a more diversified base for business in this sector while moving resolutely towards a new range of financial products and to add substance to the sector. We shall explore all avenues on this. This is crucial because the financial services sector is expected to become an important pillar of our

economy and as a vehicle to develop our relation in the services sector which is experiencing tremendous growth in Africa notwithstanding the consolidation of our treaty with India.

Mr Speaker, Sir, let me now highlight the relevance of our economic relations with selected countries in the Middle East. We have focused on the Gulf-rich ones in 2013 and onwards. In the process, we will seek to capitalise on the -

- (i) existing cordial relations with some of the Gulf States;
- (ii) the cultural and religious affinities with these States,
- (iii) the platform of the Indian Ocean Association Regional Cooperation which includes three Middle East States, the United Arab Emirates, Oman, Yemen to deepen and expand these relations and step up cooperation in numerous fields and the inflow of FDI and tourism from Gulf countries to Mauritius. In this regard, our strategic initiatives will comprise –

- (a) Saudi Arabia and Qatar: Seizing the first available diplomatic opportunity to proceed in 2013 with the signature of a now finalised draft bilateral General Framework Agreement on Cooperation and Bilateral Air Services Agreement giving priority to developing a program of high-level visits from and to the region over the next three years, starting 2013 to ensure the profile of Mauritius in the region is substantially raised and there is greater understanding and political dialogue between Mauritius and the Gulf States as well as greater institutional linkages in relevant sectors including tertiary education, energy, fisheries and aquaculture;
- (b) In consultation with relevant authorities, improving wherever deemed necessary, air links to enhance accessibility of Mauritius to the region and, thereby to open up new opportunities for trade and economically important services like tourism, banking including Islamic banking;
- (c) reinvigorating discussions for the conclusion of Double Taxation Avoidance Treaty - Bahrain, Saudi Arabia and Investment Promotion Protection Agreement with all Gulf States except United Arab Emirates to stimulate investments as well as bilateral general framework cooperation agreements under which specific sectoral MOUs and other bilateral arrangements would be concluded. It is good to know that Mauritius has signed Double Taxation

Avoidance Treaty with the following Gulf countries: Kuwait (1998), Oman (1998), Qatar (2009), United Arab Emirates (2007) and IPPA with United Arab Emirates has been finalised and awaits signature.

Mr Speaker, Sir, strengthening relations with Arab international developing funds such as the Kuwait Fund for the financing of infrastructure projects, these relations are ongoing. Using all avenues and to enhance bilateral relationship with Gulf countries to provide increased opportunities for exchange of mutual benefits such as trade and that commits the bilateral partners to work together. Holding consultation with BOI, Enterprise Mauritius and MTPA and Gulf States, promotional events to promote trade, tourism investments and cultural exchange. Finally, there will be a close monitoring of the Palestinian bid for the United Nations General Assembly observer status and the political developments in the Israeli-Palestine Conflict and the quarter discussions and development in the whole region including Syria, Iran, Bahrain, and Yemen.

Mr Speaker, Sir, I wish to inform the House of the high resolve of the Government to open an Embassy in Saudi Arabia, with which we have close cultural and religious ties. The House would appreciate the high cost involved in the opening and running an Embassy in Jeddah. We are hopeful to proceed with this project as soon as the financial situation allows us to do so.

In the meantime, we are happy to announce that the Government of the Kingdom of Saudi Arabia has granted its *Agrément* to our Ambassador Mr Fakim, based in Cairo. We are currently expediting arrangements for him to present his credentials hopefully before the end of the year. His accreditation will certainly allow for more regular and timely interactions with the Saudi authorities on all issues of national interest.

Mr Speaker, Sir, we are concluding a Free Trade Agreement with Turkey and as I have stated last year Turkey is geographically well placed and it is a market where we are going to have access. We are talking of a market of more than 90 million people and it is a market which connects also to the Balkans, East Europe and Central Asia, we will soon sign a Framework Agreement covering different areas such as services, textiles, and private sector development to take our relations a step further with this emerging economy.

The opening of the trade, supported by appropriate domestic policies and a favourable external environment, can play a crucial role in improving our trade competitiveness. But information is vital and information that has to be supplied on a timely and sustained basis and

we are going to set up a Trade Portal to facilitate trade and improve trade competitiveness by rationalising and simplifying the issue of trade permits and licenses. It will help our operators in accessing maximum information on trade and trade related matters thus improving the market intelligence and trade competitiveness and in developing strategies for their quest to capture shares in terms of higher export.

Mr Speaker, Sir, a contract to design and operationalise the Trade Portal has been awarded to Export Enterprises Ltd of France. The portal is expected to go live by mid-June 2013.

Mr Speaker, Sir, we cannot talk of services sector without addressing the issue of Intellectual Property policy. The proposed Mauritius Intellectual Property Office will be the lead Government agency to advise on and administer Intellectual Property laws, promote Intellectual Property in Mauritius and provide a better enforcement system. It will coordinate with economic agencies and the business community to formulate and review Intellectual Property policies and practices to be up to date with changes taking place at the Regional and International levels. The functions of the Mauritius Intellectual Property Office will span well beyond the function of the Intellectual Property Office which is focused only on registration of marks and patents.

Mr Speaker, Sir, to coordinate the Intellectual Property matters; it is proposed to create an Intellectual Property Council through an Act of Parliament. The Mauritius Intellectual Property Council, through the involvement of all key stakeholders, will coordinate Intellectual Property Policy including all stakeholders to ensure coherence and consistency. An inter-ministerial meeting under my Chairmanship has been set up to finalise the different legislation.

Mr Speaker, Sir, we need to be mindful and certainly keep an eye on bilateral economic partnership agreement which EU and US are concluding. Why do I say that we have to be mindful? It is because we have to make sure that our interests are protected and we have to encourage multilateral trade agreement. It is true that the Doha Development Plan has been installed, but the Members are exploring the possibility of closing on a mini package for the 9th World Trade Organisation Ministerial Conference which is going to be held in Bali next year. Such a package comprises of an Agreement on Trade Facilitation which we fully support and some issues related to Least Developed Countries such as waive on services and more flexible accession procedures.

Mr Speaker, Sir, I have stated, we need to be mindful of how events are unfolding because if AGOA-type preferences are extended to some LDCs, they may impact upon our export market

and, therefore, we are mindful. That is why I have stated earlier that we have to explore the possibility of closing on a mini package for the 9th World Trade Organisation Ministerial Conference which is going to be held in Bali next year.

Before I conclude, Mr Speaker, Sir, let me remind the House that we, as a small island developing State, we need to be outward looking. To be outward looking, Mr Speaker, Sir, we need to look at our level of preparedness. We have to respond, as I have stated, not only to domestic needs, but to needs globally, regionally and on the continental front. We have constantly to think globally and act locally. To do so, Mr Speaker, Sir, we need a team which can deliver. I'll challenge anyone, Mr Speaker, Sir, to come and say that this team has not delivered on promises made to the electorate. Since 2005, we have turned the economic situation round. We were almost on the verge of an economic precipice. We were bold enough to do under the able leadership of the Prime Minister, but we need to make a new quantum leap to become an upper middle-income country. It is indeed a daunting challenge, but the opportunities are knocking and we have to live up to the expectations of markets where we have access. To do so, we have to produce quality goods; we have to be a service oriented country; we need to become a platform for outward and onward investment and we have to domicile as many companies as possible in Mauritius. It is the financial services sector, Mr Speaker, Sir, which has widened the circle of opportunities for those who have the grey matter. This is a sector where there is no rank seeker; those who have the abilities to take up the social ladder through investment in education will make it economically. As a nation which is forward looking, Mr Speaker, Sir, we have to act in unison; we have to set aside certain differences and stand up shoulder to shoulder as people with great conviction. We do so, Mr Speaker, Sir, under the able leadership of the Prime Minister, a Prime Minister who is well respected on the regional and international scene. There are many issues that we need to flag and one of those issues that has to be flagged, as we have stated in no uncertain terms that our independence is not complete unless the issue of sovereignty is fully addressed. In the US, the President has been re-elected. I am sure he is going to set up a new team and I hope, Mr Speaker, Sir, that America will not be indifferent or insensitive to our legitimate plea. After all, we have the support of the international community. We are lobbying on all fronts and we hope that 2014 which is not too far away when there will be the exchange of letters, our American friends won't say that this is an issue that has to be resolved between Mauritius and UK. The time has come for us, Mr Speaker, Sir, to live up not only to the

expectations of people, but to the expectations of the Republic of Mauritius. This is why the Prime Minister makes it a point to take up the matter not only in a forceful manner, but in an effective manner which is seen to be visible on all fronts, Mr Speaker, Sir. This is an issue as we said. If the political goodwill is there, it can be resolved because our sovereignty rights are sacrosanct, legitimate and legal. We are a proud nation. We are a nation which is becoming an Ocean State and at the Rio+20 Summit, Mr Speaker, Sir, the issue of Green Economy Blue was highlighted. In the draft document which was circulated, several paragraphs were earmarked to address the issue of the blue economy, Mr Speaker, Sir. We are a country which is sea-locked. The potential is tremendous. We have made a joint submission with Seychelles for an extended continental shelf. When we took up the issue with our EU partners under Article 8 of the Cotonou Agreement, they made it quite clear that it is time for Mauritius to host a conference on the Ocean State. The Dutch Government will convene a conference. We are going to interface with them and if they can change venue and host it in Mauritius, we would be willing partners. The whole world is showing interest in the potential of the sea. The World Bank report makes it quite clear that the issue of food security can be addressed through the vast potential that the sea holds. When we talk of renewable energy, the sea, Mr Speaker, Sir, can be the reply to part of our energy problem, but then we need to ensure that we bring together academia – people from the research and development, from the private and public sectors. We have to prepare a Master Plan and this is in the pipeline.

As we said, Mr Speaker, Sir, we are willing to walk the extra mile. It is a long, long way as my good Irish friend would say, but we are willing and I know that we can overcome because we have the political will to do so. This is a Budget with clear-cut vision which paves the way for the youth ensuring, Mr Speaker, Sir, that not only they become skilled but they have gainful employment. It is true that Mauritius is not the panacea for all their problems, but then, we are living in a global world which is constantly shrinking with the constant breakthrough in technology. This is a world where the divide in technology is constantly being narrowed, and we are reaching out to have a global outreach.

Thank you very much.

(10.10 p.m.)

Mr T. Henry (Third Member for Mahebourg & Plaine Magnien): M. le président, j'aimerais tout d'abord saluer les efforts conjoints du Premier ministre et du ministre des Finances, parce que dans un contexte extrêmement difficile ils ont permis au pays, avec ce budget 2013, de consolider les mécanismes de protection sociale tout en donnant les arguments nécessaires pour aborder l'avenir avec confiance et sérénité.

Ce budget, M. le président, démontre le sérieux du gouvernement en ce qui concerne l'avenir de notre pays, plus particulièrement l'avenir de nos jeunes, parce qu'il a mis en place des mesures pour consolider la lutte contre le chômage chez les jeunes, le soutien à la formation, un meilleur accès aux études tertiaires, l'accès à la technologie.

Pourtant, M. le président, certains membres de l'opposition, malheureusement absents, n'hésitent pas à prétendre que les jeunes de ce pays ne se retrouvent pas dans ce budget. Or, M. le président, j'estime que les membres de l'opposition n'ont pas compris, ou alors ils font semblant de ne pas comprendre et induisent la population en erreur, comme ils en ont l'habitude, et comme ils ont tenté de le faire à maintes reprises ces derniers mois en inventant des chiffres pour semer la panique dans le pays, démoraliser la population, et faire fuir les investisseurs, alors que les chiffres officiels sont éloquentes, M. le président, comme le ministre des Finances l'a fait ressortir dans son discours du budget. J'aimerais en citer quelques uns.

Un taux de chômage qui est resté pratiquement inchangé à 8% ; nous avons aussi un taux d'inflation à 4.1% seulement ; nous avons une croissance qui est fort honorable à 3.4%, alors que les pays européens sont pratiquement en récession ; que la Chine, deuxième économie mondiale a enregistré son plus faible taux de croissance en 10 ans ; l'Inde pour sa part est passé de 9% à 5% ; les Seychelles, plus près de nous sont à 2.8%, M. le président. Par contre, lorsque l'honorable Pravind Jugnauth était ministre des Finances, le taux de croissance trimestriel n'a pas cessé de chuter, passant de 5% au premier trimestre de 2011 à seulement 1.8% durant le dernier trimestre de 2011, avant que l'honorable Xavier-Luc Duval ne prenne la barre et redresse la situation, avec un taux de croissance qui a systématiquement remonté la pente.

Les vrais chiffres, M. le président, parlent d'eux-mêmes ; pas ce que l'opposition invente pour faire croire qu'un tsunami nous attend derrière la porte. C'est tout le contraire. La gestion économique exemplaire du gouvernement Parti travailliste/PMSD depuis 2005 jusqu'à ce jour a toujours porté ses fruits pour le bien-être de la population. C'est pour cette raison, M. le

président, que nous avons été reconduits au gouvernement, et qu'ils ont été reconduits dans l'opposition.

M. le président, j'aimerais réfuter quelques unes des faussetés annoncées par l'honorable Li Kwong Wing, qui prouve que l'honorable Li Kwong Wing ne connaît pas ses dossiers. Il dit que la classification hôtelière n'a pas été mise en place, alors que ces choses ont déjà été faites par la MTPA, M. le président.

Il affirme aussi qu'il n'y a eu aucune construction en ce qui concerne les emplacements pour les PME, alors qu'il a été annoncé dans les journaux il y a quelques semaines - on se demande s'il lit les journaux - qu'une trentaine d'unités sont disponibles à la route Abattoir à Roche Bois, un quartier que l'honorable membre ne connaît pas peut-être. Tout comme Pointe aux Sables, où la construction du *Small and Medium Enterprises Industrial Park* a déjà commencé, contrairement à ce que l'honorable membre a prétendu dans son discours.

Il a aussi critiqué le montant de la compensation salariale qui, faut-il le rappeler, M. le président, représente sur deux ans une augmentation de 21%, bien plus fort que l'inflation. Du jamais vu ! Alors que l'honorable Jugnauth n'accordait qu'un maigre R 90 à ces mêmes personnes. Une honte, M. le président !

Je préfère en rester là, M. le président, car il y aurait trop à dire sur les incohérences de l'honorable Li Kwong Wing, et revenir sur les grandes mesures du budget 2013. Pour moi, il est indéniable que les jeunes se reconnaissent dans ce budget, M. le président. Le gouvernement a su rester sensible aux attentes des jeunes. Comme chacun le sait, le taux de chômage chez les jeunes atteint 27%. Il a été toujours fort à travers le monde, et c'est ainsi. Dans d'autres pays, même les plus modernes comme l'Espagne et le Canada, la situation est pire. Ce gouvernement, M. le président, se sent responsable en prenant des mesures qui pourraient améliorer leur situation. Nous avons le devoir de les accompagner vers leur premier emploi. C'est ainsi que R 330 millions sont prévues sous le *Youth Employment Programme*. Ils serviront à soutenir l'emploi des jeunes dans le monde du travail.

Dans le budget, il y a tout un chapitre permettant d'optimiser le potentiel des jeunes de ce pays, surtout en leur donnant un meilleur accès aux technologies dès leur jeune âge. L'une de ces mesures est révolutionnaire. Pour la première fois, chaque élève de la Forme IV aura droit à une tablette ; un bond en avant pour 20,000 enfants de ce pays, M. le président. La technologie s'installe aussi dans les écoles avec l'extension de la fibre optique dans chaque école.

Mais le gouvernement ne se soucie pas seulement de l'éducation des jeunes mais aussi de leur bien-être et de leur santé, surtout ceux qui sont issus des régions les plus défavorisées. C'est ainsi qu'un repas chaud sera servi à chaque enfant dans les écoles ZEP ; encore une mesure exceptionnelle ! Quel geste de solidarité, M. le président de la part d'un gouvernement courageux qui, non seulement assure une bonne gestion économique, donne accès à la population aux dernières technologies. Et qui met en place les mesures nécessaires pour encourager l'emploi et relancer la croissance, place l'Ile Maurice sur la carte internationale comme plateforme entre l'Asie et l'Afrique, soutient les industries traditionnelles comme, le tourisme, le textiles, les PME, assure un environnement sain et productif, tout cela, M. le président, pour une Ile Maurice Durable qui fait notre fierté. En faisant tout cela, ce gouvernement n'a pas oublié le social. Sur les 200 mesures annoncées, une bonne majorité porte sur le social. *This is a caring Government, Mr Speaker, Sir, and this is what this Budget is all about.*

M. le président, ce budget assure notre avenir et celui de nos enfants. C'est un budget qui a une vision avant-gardiste et dans lequel chaque Mauricien/ Mauricienne se retrouve et y trouve son compte. Car ce gouvernement, M. le président, a toujours su et saura toujours être à l'écoute et répondre aux attentes de toute la population. Je suis certain, M. le président, que les Mauriciens seront toujours reconnaissants envers ce gouvernement en lui faisant confiance pour l'avenir de leur pays et ils sauront éviter les pièges dans lesquels l'Opposition va leur faire tomber car nous déplorons l'absence des parlementaires MMM/MSM, alors qu'ils sont payés par l'argent des contribuables. Ils ont failli à leur tâche car, soit souvent ils font des *walk-outs* ou alors, comme aujourd'hui, ils fuient devant leurs responsabilités. Les sièges sont vides, M. le président, et en témoignent. Ils viennent, ils critiquent et ils s'en vont. Ils n'ont même pas la décence, je dois dire le courage d'écouter la république. Ils excellent dans l'art de parler, de critiquer mais nous de notre côté de la Chambre, nous nous attelons avec sérieux au travail car cela est notre devoir et on le fait avec plaisir, M. le président.

Je vous remercie.

(10.23 p.m.)

The Minister of Environment and Sustainable Development (Mr D. Virahsawmy): Mr Speaker, Sir, allow me right at the outset, to congratulate the hon. Prime Minister as well as the Vice-Prime Minister and Minister of Finance who has presented this Budget 2013 which is not a

classical one but rather a magical one, as it abounds of so many good intentions and the provisions made therein will pave the way for a better, resilient and sustainable Mauritius. A Mauritius where the feel good factor will become inherent in our daily lives, a Mauritius where our fellow countrymen will start reaping the fruits of hard work, a Mauritius where dignity will be restored in the name of fame by people in whom confidence has been placed for the last decade.

Mr Speaker, Sir, leadership demands a commitment of service to others, placing of their needs above your own, as I strongly believe that the first condition of lasting happiness is that life should be full of purpose, aiming at something outside self. This is where, Mr Speaker, Sir, our leader and Prime Minister strikes the right balance. He has placed above all the people of Mauritius at the centre of development.

Mr Speaker, Sir, I made it a point to go through the criticisms made by the Opposition during the debate on last year's Budget and I have compared them with those made in the press by the Leader of the Opposition and by hon. Pravind Jugnauth since the presentation of this year's Appropriate Bill. I have also listened carefully to the orators from the other side of the House who have commented the Budget earlier today and I find the same negative approach all through. The birds of ill omen are still here, still the same, forecasting that everything will be gloom and doom.

One newspaper stated that it is a Labour Budget *où les rouges se désolidarisent de Duval*. We see the specialist at work *pour semer la zizanie au sein du gouvernement et de faire croire qu'on est pas d'accord. Non, M. le président, c'est un budget du gouvernement dans son ensemble et nous sommes solidaires avec le ministre des Finances l'honorable Xavier-Luc Duval et de notre partenaire de longue date, le PMSD*.

This Budget is a Budget of continuity supported by fiscal mechanism to make our societal dream come true. I fully concur with my colleague, the Vice-Prime Minister and Minister of Finance as this Budget being a transitional one to enable us to reach the objectives and goals of sustainable development. In fact, Mr Speaker, Sir, we are implementing the whole concept of *Maurice Ile Durable* which was conceived and created by the hon. Prime Minister.

Some public opinion manipulators are saying that *MID* has not received a budget for 2013. This is totally untrue as *MID* is the 5Es: Energy, Employment, Education, Equity and Environment. The Budget, instead for providing to *MID* under the Ministry of Environment, is

providing directly under each Ministry for each E. For example, for the E of the Environment, Rs200 m. has been provided for the solar water heater project, that is, for 20,000 units for 2013. We should not forget that already about 37,000 units have been financed and are in operation. It is important to explain here the benefits of this as this scheme reduces the peak of electricity in the morning and evening as the population do not use electric water heaters but solar. Electrical consumption is being reduced by about 25 megawatt in peak hours. It is expected that savings of about Rs72 m. per annum will be achieved on direct subsidy on LPG as there will be less use of gas water heaters and about Rs220 m. per annum in terms of heavy fuel oil. Rs100 m. has been provided directly under Programme 401 of the Ministry of Environment for *MID* Fund to finance several projects. However, under 'E' of Environment there is also Rs100 m. to local government for the purchase of lorries, Rs30 m. to the RDA and Rs500 m. to MPI for rural and urban development. Alors, M. le président, pourquoi être méchant et vouloir créer ce malaise pour faire croire que MID n'a pas eu de budget? Effectivement, MID sous les 5 'E' a eu un budget important directement sous les différents programmes.

When we talk of sustainable development, we have to strike the right balance among its three components; namely economy, society, and environment. The hon. Vice-Prime Minister and Minister of Finance has already announced the bold measures to meet the country's challenges of a world in transition. The Budget is geared towards achieving our country's goal on sustainable development and let me comfort you all by shedding light on the environment sector, which is under my purview.

This year has witnessed a very important global event for the environment. In June, world leaders met in Rio de Janeiro, Brazil in the context of the UN Conference on Sustainable Development, known as Rio+20, to assess progress achieved so far and to chart the path for future intervention which will enable us to meet the challenges ahead. The outcome of the conference emphasised on global issues such as poverty alleviation, green economy, equity and environmental governance. This was an opportunity to showcase Mauritius as an Island State and also as a committed country willing to forge ahead despite economic turmoil.

The House will agree that Mauritius being a high-profile touristic destination needs to maintain a pristine environment in the sector where there is a cutthroat competition from other destinations. In this context, environmental monitoring is a prime requirement.

My Ministry ensures that regular assessment of the quality of air, water and other environmental media are systematically undertaken so as to track the impact of pollution, evaluate pollution trends and take remedial actions. The National Environmental Laboratory (NEL) of my Ministry has been dealing with monitoring projects in the environmental field, which covers rivers, lagoons, effluents, soils and ambient air.

The NEL is accredited for 18 test parameters since January 2009. Through the continual improvement policy of the Ministry, the NEL is extending its scope of accreditation from 16 test parameters to 30 test parameters. This will further consolidate the capacity of the NEL in submitting analytical results acceptable in a court of law. Environmental monitoring is not an end in itself. It is a means of ensuring that our assets are left unimpaired for the present and future generations. Monitoring paves the way for better enforcement and application of Polluter Pays Principle. In this context, my Ministry is presently in the process of revisiting the Environment Protection Act of 2002, which will undoubtedly bring an improvement in the enforcement of the law.

The collaboration among enforcing agencies to ensure that environmental pollution pertaining to wastewater, odour, noise and solid waste are promptly addressed and has been improved considerably during the last few years. The main causes of complaints are presently: noise mainly from individuals and from bungalows and solid waste through dumping on abandoned plots of land and littering. These are due to the indiscipline of citizens. These problems are being addressed by the different local authorities and enforcing agencies.

Mr Speaker, Sir, with a view to improving further the quality of our ambient air through reduction of black smoke and other noxious exhaust emission from diesel driven vehicles; Government has introduced in March of this year, automotive diesel with a sulphur content of 15 parts per million. The introduction of this new diesel grade places Mauritius among the first in the Africa Sub-Saharan region to take such initiative, enables the importation and commercialisation of fluid of energy efficient and less polluting vehicles running on high quality diesel.

With regard to environmental laws and enforcement and in line with the Government Programme 2010/2015 and with a view to making it more responsive and adaptable to emerging environmental challenges, given the dynamic context of the environment; my Ministry has conducted another review of The Environment Protection Act with the same spirit and

philosophy as in 2008. That is, to provide and enhance legal framework for better environment protection and management through, *inter alia*, a more stringent including an enhanced and decentralised enforcement and compliance mechanism while ensuring a pro-active approach towards sustainable development.

With the same spirit of providing up-to-date legislation in line with international norms, my Ministry is also reviewing the regulations on air, hazardous waste and effluent limitation. The revised air regulations will include new standards for the ambient air and emissions from industrial stacks and incinerators whilst the new hazardous waste regulations will be in line with the model legislation of management of hazardous waste developed under the Basel Convention. These draft regulations have reached an advanced stage in the vetting process at the Attorney General's Office.

With regard to the development of environmental guidelines, these are being developed to ensure that sustainable development principles and practices, including climate change adaptations are embedded in development initiatives. Environment Impact Assessment(EIA) and Preliminary Environmental Report (PER) are systematic approaches to identify, predict and evaluate the environmental impacts of a proposed development and enable the identification of appropriate mitigating measures to offset the impacts by the proponents in collaboration with the permitting Authority.

The preparation of an EIA or PER in a professional manner could be quite difficult in the absence of a suitable guidance. Consequently, general and sectoral guidelines for the preparation of an EIA or PER would be practical, manual design for consultants and proponents. They are to be used as a tool to guide the actual writing of comprehensive EIA and PER and save time during the scoping procedure. They provide for the essential structure and the detailed requirements which are fundamental for the composition and writing of the various chapters of the EIA or PER.

Climate Change is a global threat and our vulnerability to its impacts, in particular, with respect to extreme weather events is a harsh reality. Recent global observations confirm a worsening of the scale of these impacts. Already in Mauritius, there is a decrease in the annual rainfall, increase in mean temperatures and acceleration of sea level rise. The recent disaster risk reduction and management study conducted by my Ministry pointed out that the potential hazard

due to flash flood, landslide and coastal inundation are high in certain areas and important public assets on the coast could be at risk.

The Rs90 m. grant funding obtained from the Government of Japan for the implementation of the Africa Adaptation Programme, has been used expeditiously to establish the necessary enabling framework for climate change adaptation to happen in the key sectors; namely agriculture, disaster risk reduction, education, environment, fisheries, health, infrastructure and tourism.

To fulfil our obligation under the United Nation Framework Convention on climate change as recommended at the 17th Meeting of the Conference of Parties held in Durban last year and in line with the recommendation of the legal experts contracted under the Africa Adaptation Programme, my Ministry is coming up with a comprehensive Climate Change Bill. The main thrust of the proposed Bill will be to make Mauritius climate change resilient through provisions of adaptation policies, strategies and measures and through adoption of a low carbon development pathway in line with overarching Government objectives of developing a green economy, the Maurice Ile Durable Initiative.

Mr Speaker, Sir, let me congratulate my colleague again for the laudable initiatives concerning the promotion of Sustainable Consumption and Production in the Budget. It is to be noted that these measures are major components of the National SCP Programme and some are already being undertaken by my Ministry. As such, Minimum Energy Performance Standards (MEPS) have been developed for Air Conditioners, Refrigerators and Washing Machines. Additionally, it is also interesting to note that the Budget has granted subsidies on locally produced compost thereby minimising the use of chemical fertilisers and improving the quality of our land resources.

As a small island State one of the most visible impacts of climate change, an associated sea level rise is the worsening of coastal erosion resulting in direct threat to our coastal zone and the tourism industry. Coastal protection works are being undertaken to rehabilitate the degraded sites around the island. For the year 2012, soft measures consisting of beach nourishment have been carried out at ten eroded public beaches in order to rehabilitate and maintain sandy beaches. For nine critical coastal sites where heavy engineering works are required, Government has started to implement coastal protection works to the tune of Rs250 m. As a long-term measure, Mauritius with the technical assistance of the Government of Japan is developing coastal conservation

plans for the Republic of Mauritius with objective to address coastal erosion using innovative and long-term resilient coastal protection measures.

Environmental education and awareness is the key process whereby my Ministry helps the general public to acquire knowledge, understanding, skills and values that will enable them to participate actively in the development of a clean and green environment. It is crucial to inculcate a sense of personal and social responsibility if we want people to preserve our environment and to maintain our environmental performance index. This is being achieved through information dissemination and community base projects. Moreover, to achieve the prospect of Maurice Ile Durable it is primordial to win the participation of the public at large; hence it is a necessity to create an environmentally literate and eco-friendly population.

This can only be attained through aggressive sensitisation and educational programme targeting all the segments of society including youth, women, senior citizens and the general public and to bring the necessary change in the mentality and behaviour in our society. To help the community shift from a throw-away society to an environmentally friendly one, my Ministry has instigated several initiatives with different target groups to achieve these objectives. To promote recycling initiatives in the school community; all primary and secondary schools have been provided with a set of bins and a compost unit to carry out waste segregation and to produce compost respectively under the School Waste Segregation Project. My Ministry in collaboration with the Ministry of Local Government and Outer Island and Local Authorities has initiated the 'Clean and Green Mauritius' project to maintain pristine environment around the island. The project will involve the rehabilitation of public places and environmentally sensitive areas. Some 234 sites have been identified and cleaning and rehabilitation work are already underway. In addition, some 800 bins will be distributed by my Ministry to Local Authorities.

In the same line of thought, my Ministry has also put in place a zero plastic strategy in an attempt to reduce the amount of plastic waste being produced. We are all very aware that the use of plastic materials such as plastic carry bags, plastic bottles and cups has increased tremendously over the past decades. These items are often used only once and then disposed of. The improper disposal can lead to various environmental problems such as visual pollution, degradation of our aquatic flora and fauna, flooding problems by obstructing of water courses, air pollution when they are burned. A mass sensitisation campaign has been carried out for the

general public in view to decrease the use of plastic carry bags and informed them of the available environment friendly alternatives.

To curb the negative impacts of littering and illegal dumping my Ministry in collaboration with the Ministry of Tourism and Leisure and the Ministry of Local Government and Outer Island has revived the '*To zeter to tasser*' campaign. Within this campaign the Ministry of Environment and Sustainable Development was entrusted the responsibility of enforcement of regulation on '*To zeter to tasser*'. In this connection, a training programme was organised to empower Police Officers in regard to littering and illegal dumping. This will help Police Officers to act against the contraveners and strengthen the enforcement mechanism. This will also give a boost to enforcement of laws relating to illegal dumping and littering and contributed towards the "*To zeter to tasser campaign*".

In line with this ongoing sensitisation and education efforts, my Ministry is promoting the use and the importance of medicinal plants with the objective to encourage the general public to develop a green attitude. In this connection some 20,000 medicinal and decorative plants have been distributed to the general public in 2012 and the distribution will be sustained in 2013.

My Ministry has achieved to destroy a large stock of DDT pesticides previously used for Malaria vector control; some transformers contaminated with DCB's oil and old stock of POP pesticides under the project for the sustainable management of chemicals and hazardous waste more specifically persistent organic pollutants. By the end of this year, about 600 tons of DDT contaminated soils will also be destroyed and contaminated sites remediated.

Mauritius has secured grant funding to the tune of Rs270 m. from the Adaption Fund of the Kyoto Protocol to implement the project 'Climate change adaption programme under coastal zone of Mauritius'. The objective of the project is to increase the climate resilience of local communities and their livelihoods in the coastal areas of the Republic of Mauritius. The project started in June 2012 and will be implemented over a period of five years.

Some thirty activities have been implemented under the following outputs: dynamic long-term planning mechanism to manage the inherent uncertainties of climate change introduced; leadership capacities and institutional framework to manage change risk strengthened; climate resilient policies, strategies and legislation developed; climate change investment programme developed; promotion of research and development and awareness raising.

Under the AAP some 17,000 individuals from different targeted groups: public, parastatal, private sectors, primary, secondary, tertiary students, school teachers, inspectors, academic, NGO's and civil societies, women leaders among others, have been involved in capacity building, training activities and sensitisation campaign.

Mr Speaker, Sir, under the Maurice Ile Durable concept, emphasis is being placed by Government on the initiative to transform Mauritius into a model of sustainable development and a resilient country where people are at the centre of development. To this end, the Maurice Ile Durable project will pave the way for sustainable development in key sectors like energy, environment, education, employment and equity.

Government is finalising the MID policy with a ten-year strategy and a three-year action plan. The action plan will focus on four key sectors of the economy namely: green economy, blue economy, energy and clean and green Mauritius. The overall institutional framework is also being reviewed to oversee the implementation of the MID action plan as well as monitor and evaluate progress towards the MID vision.

The MID Fund and the Ministry of Environment and Sustainable Development is spelling out how Government will make the shift towards a sustainable development paradigm necessary for us to provide innovative and cutting edge leadership in preparation of these challenges. The new MID strategy, policy and action plan is making a paradigm shift how we will go towards about practically embedding sustainable development in all our policies, strategies and programmes.

To drive our economy in this competitive and globalised world, we are putting high demand on our natural assets. We are more than ever dependent on our land, fresh water, marine resources and biodiversity for development purposes, enhancement of our physical infrastructure and also, to ensure the well-being of our population. However, while the basis of our development process is the harnessing of our natural resources so that they contribute optimally to the national economy, the opportunities of a green economy has not been overlooked.

The UN Conference on Sustainable Development which was held in Rio de Janeiro acknowledged that a green economy is the vehicle which will drive us towards sustainable development. Our objectives are aligned to the outcome of the Rio+20 summit in that we have strong political commitment to sustainable development. We want to address new and emerging challenges and we want to achieve progress on all agreed international target.

The Ministry of Environment and Sustainable Development has developed a five-year national programme on sustainable consumption and production in 2008. The main objective of the programme is to decouple economic growth from the use of natural resources while promoting a change in consumption patterns as well as the adoption of a more sustainable lifestyle. A midterm review carried out in 2011 revealed that 13 out of 44 projects have been successfully implemented and an additional 11 projects have already been initiated.

In line with the National Programme on SCP, the Ministry has developed a policy and a building rating system for sustainable buildings and constructions. The developed policy is based on six sustainability requirements namely: site and ecology, water management, energy management, materials and resources, indoor environment quality and management innovation.

The Government is committed to promote environmental stewardship and eco-friendly practices. In this respect, we will continue with the awareness-raising, sensitisation and education campaigns to change attitudes and behaviours of our citizens for a cleaner and more sustainable Mauritius.

Climate change is recognised as the major environmental concern of this century. In order to reflect this issue, many countries and organisations calculate their carbon footprint. The carbon footprint is the annual amount of greenhouse gas emissions, mainly carbon dioxide, that result from the activities of an individual or an organisation; especially, their use of energy, transport and consumption of goods and services. It is measured as the mass in kilograms or tons per year of carbon dioxide. The Mauritius Export Association, with the support of the MID Fund, initiated in 2011, a carbon footprint mitigation project. The project targeted seven manufacturing companies and involved the following activities -

- the determination of carbon footprint of the organisation;
- training of 25 employees;
- developing measures to reduce the greenhouse gas emissions of the organisation.

The first phase of the project resulted in an overall 12.5% reduction in the GHG emissions in the seven companies. In 2012, the second phase of the project has been initiated and is targeting 22 new organisations including ten Government departments such as Central Water Authority, Mauritius Ports Authority and the Ministry of Environment and Sustainable Development, amongst others. The total cost of the project is Rs9 m. out of which Rs4 m. will be funded under the MID Fund.

Mr Speaker, Sir, let me conclude here by congratulating again the Minister of Finance for this innovative budget which will permit a growth of 4% in 2014.

Thank you, Mr Speaker, Sir.

Mr Faugoo: Mr Speaker, Sir, I move that the debate be now adjourned.

Mr Virahsawmy rose and seconded.

Question put and agreed to.

Debate adjourned accordingly.

ADJOURNMENT

The Deputy Prime Minister: Mr Speaker, Sir, I beg to move that this Assembly do now adjourn to Thursday 15 November 2012 at 11.30 a.m.

Dr. Boolell rose and seconded.

Question put and agreed to.

Mr Speaker: The House stands adjourned.

At 11.01 p.m. the Assembly was, on its rising, adjourned to Thursday 15 November 2012 at 11.30 a.m.