



REPUBLIC OF MAURITIUS

FIFTH NATIONAL ASSEMBLY

PARLIAMENTARY

DEBATES

(HANSARD)

SECOND SESSION

TUESDAY 17 DECEMBER 2013

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Members

THE CABINET**(Formed by Dr. the Hon. Navinchandra Ramgoolam)**

Dr. the Hon. Navinchandra Ramgoolam, GCSK, FRCP	Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister for Rodrigues
Dr. the Hon. Ahmed Rashid Beebeejaun, GCSK, FRCP	Deputy Prime Minister, Minister of Energy and Public Utilities
Hon. Charles Gaëtan Xavier-Luc Duval, GCSK	Vice-Prime Minister, Minister of Finance and Economic Development
Hon. Anil Kumar Bachoo, GOSK	Vice-Prime Minister, Minister of Public Infrastructure, National Development Unit, Land Transport and Shipping
Dr. the Hon. Arvin Boolell, GOSK	Minister of Foreign Affairs, Regional Integration and International Trade
Dr. the Hon. Abu Twalib Kasenally, GOSK, FRCS	Minister of Housing and Lands
Hon. Mrs Sheilabai Bappoo, GOSK	Minister of Social Security, National Solidarity and Reform Institutions
Dr. the Hon. Vasant Kumar Bunwaree	Minister of Education and Human Resources
Hon. Satya Veyash Faugoo	Minister of Agro-Industry and Food Security, Attorney General
Hon. Devanand Virahsawmy, GOSK	Minister of Environment and Sustainable Development
Dr. the Hon. Rajeshwar Jeetah	Minister of Tertiary Education, Science, Research and Technology
Hon. Tassarajen Pillay Chedumbrum	Minister of Information and Communication Technology
Hon. Louis Joseph Von-Mally, GOSK	Minister of Fisheries
Hon. Satyaprakash Ritoo	Minister of Youth and Sports

Hon. Louis Hervé Aimée	Minister of Local Government and Outer Islands
Hon. Mookhesswur Choonee	Minister of Arts and Culture
Hon. Shakeel Ahmed Yousuf Abdul Razack Mohamed	Minister of Labour, Industrial Relations and Employment
Hon. John Michaël Tzoun Sao Yeung Sik Yuen	Minister of Tourism and Leisure
Hon. Lormus Bundhoo	Minister of Health and Quality of Life
Hon. Sayyad Abd-Al-Cader Sayed-Hossen	Minister of Industry, Commerce and Consumer Protection
Hon. Surendra Dayal	Minister of Social Integration and Economic Empowerment
Hon. Jangbahadoorsing Iswurdeo Mola	Minister of Business, Enterprise and Cooperatives
Roopchand Seetaram	
Hon. Mrs Maria Francesca Mireille Martin	Minister of Gender Equality, Child Development and Family Welfare
Hon. Sutyadeo Moutia	Minister of Civil Service and Administrative Reforms

PRINCIPAL OFFICERS AND OFFICIALS

<i>Mr Speaker</i>	Peeroo, Mr Razack, SC, GOSK
<i>Deputy Speaker</i>	Peetumber, Hon. Maneswar
<i>Deputy Chairperson of Committees</i>	Deerpalsing, Ms Kumaree Rajeshree
<i>Clerk of the National Assembly</i>	Dowlutta, Mr R. Ranjit
<i>Deputy Clerk</i>	Lotun, Mrs B. Safeena
<i>Clerk Assistant</i>	Ramchurn, Ms Urmeelah Devi
<i>Clerk Assistant</i>	Gopall, Mr Navin (Temporary Transfer to RRA)
<i>Hansard Editor</i>	Jankee, Mrs Chitra
<i>Senior Library Officer</i>	Pallen, Mr Noël
<i>Serjeant-at-Arms</i>	Munroop, Mr Kishore

MAURITIUS

Fifth National Assembly

SECOND SESSION

Debate No. 39 of 2013

Sitting of 17 December 2013

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 –

Ministry of Finance and Economic Development –

- (a) The Finance and Audit (Amendment of Schedule) Regulations 2013 (Government Notice No. 289 of 2013).
- (b) The Financial Services (Consolidated Licensing and Fees) (Amendment No. 4) Rules 2013 (Government Notice No. 294 of 2013).
- (c) The Securities (Brokerage Fees for Turnaround Trades) Rules 2013 (Government Notice No. 295 of 2013).
- (d) The Securities (Brokerage Fees for Turnaround Trades) Rules 2013 (Government Notice No. 295 of 2013).
- (e) The Private Pension Schemes (Investment) Rules 2013 (Government Notice No. 296 of 2013).
- (f) The “*Projet De Convention de Crédit en date de 06 décembre 2013 entre L’Agence Française de Développement Le Prêteur et La République de Maurice L’Emprunteur*” (In Original).

B. Ministry of Education and Human Resources –

The Education (Amendment No. 3) Regulations 2013 (Government Notice No. 290 of 2013).

C. Ministry of Fisheries –

The Fisheries and Marine Resources (Licence and Fees) Regulations 2013 (Government Notice No. 288 of 2013).

D. Ministry of Local Government and Outer Islands –

- (a) The Municipal Town Council of Quatre Bornes (Markets) Regulations 2013 (Government Notice No. 291 of 2013).
- (b) The Municipal Town Council of Quatre Bornes (Fair) Regulations 2013 (Government Notice No. 292 of 2013).
- (c) The Vacoas-Phoenix (Fair) (Amendment) Regulations 2013 (Government Notice No. 293 of 2013).

E. Ministry of Arts and Culture –

The Annual Report 2012 of the National Library.

F. Ministry of Labour, Industrial Relations and Employment –

The International Labour Standards Proposed action by the Government of Mauritius on a Recommendation adopted by the International Labour Conference at its one hundred and first Session (June 2012) with regard to the Social Protection Floors Recommendation, 2012 (No. 202) (In Original).

G. Ministry of Tourism and Leisure –

The Report of the Director of Audit on the Financial Statements of the Tourism Employees Welfare Fund for the period ending 31 December 2012 (In Original).

H. Ministry of Social Integration and Economic Empowerment –

- (a) The Annual Report 2012 of the National Economic and Social Council (In Original), and
- (b) The National Economic and Social Council Report 25 on Youth Unemployment Improving Employment Prospects. (In Original)

ANNOUNCEMENT

OBITUARY – MR JOSEPH JACQUES YVON ST GUILLAUME

The Prime Minister: Mr Speaker, Sir, it is with deep regret that we have learnt of the demise of Mr Joseph Jacques Yvon St Guillaume on the 08 of December 2013 at the age of 84.

In 1963, Mr St Guillaume first stood as a candidate for the General Elections in Constituency No. 34, as it was then, Belle Rose under the banner of the Parti Mauricien but was not returned. He then stood again for the 1967 General Elections under the banner of the PMSD in the Constituency of Belle Rose and Quatre Bornes and he was returned as Second Member for the said Constituency.

However, once the country has made the choice of Independence, hon. Yvon St Guillaume took the long term view that we should put our past divisions behind us and move forward together as a Nation.

He, therefore, voted for the motion for Independence together with another member of the PMSD, hon. Tangavel Narrainen.

Let me quote what he said, Mr Speaker, Sir, in this august Assembly on the 23 of April 1968, the Speech from the Throne, and I quote –

«Nous sommes un pays nouvellement indépendant. Nous devons offrir à tous les fils du sol la possibilité de prendre part à la destinée du pays. Nous devons s'assurer de la liberté complète de l'individu afin qu'il puisse avoir libre cours de ses options personnelles en harmonie avec ses croyances et ses possibilités...

Notre drapeau national flotte sous le ciel mauricien. Nous devons sans distinction, sans arrière pensée, essayer de développer ce nationalisme mauricien. Que chacun de nous, quel que soit notre religion, notre culture, la couleur de notre épiderme, se considère mauricien avant tout, et nous serons sauvés.»

Hon. St Guillaume was appointed Parliamentary Secretary at the Ministry of Health in March 1974, a post he occupied until October 1976.

In 1976, Mr St Guillaume stood again for the General Elections in Constituency No. 20 - Beau Bassin and Petite Rivière under the banner of the Independence Party but was not returned. However, Mr Yvon St Guillaume continued to be actively engaged in social work until his death.

Mr Speaker, Sir, may I request you to be kind enough to direct the Clerk of the National Assembly to convey the deep condolences of the Government and of this Assembly to the bereaved family.

Mr Ganoo: Mr Speaker, Sir, I join the tribute paid to late Mr Joseph Jacques Yvon St Guillaume by Dr. the hon. Prime Minister and would kindly request you to convey the condolences of the Opposition to the family of the deceased.

Mr Speaker: I associate myself to the tribute paid to late Mr Joseph Jacques Yvon St Guillaume by Dr. the hon. Prime Minister and hon. Ganoo and I direct the Clerk to convey to the bereaved family the assurance of our sincere condolences.

Questions addressed to Dr. the hon. Prime Minister, but, however, the Table has been advised that Parliamentary Question No. B/942 has been withdrawn. Yes, hon. Dr. Sorefan!

ORAL ANSWERS TO QUESTIONS

SSR INTERNATIONAL AIRPORT – PRIVATE SECURITY SERVICES

(No. B/940) **Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister for Rodrigues whether, in regard to the Sir Seewoosagur Ramgoolam International Airport, he will, for the benefit of the House, obtain from Airport Terminal Operations Ltd., information as to the names of the contractual licensed companies providing private security services thereat, since 2011 to date and, in each case -

- (a) indicate the type of guarantee furnished, and
- (b) table the list of the licensed guards working thereat.

The Prime Minister: Mr Speaker, Sir, as I have indicated to this House on many occasions, the Airport Terminal Operations Limited, as any company governed by the Companies Act, and its Constitution, has its own internal operational procedures. The management of the company is vested in its Directors and Management. I have no ministerial responsibility for ATOL and operational matters and issues concerning procurement of services in the company fall under the responsibility of senior management and its Board of Directors.

HENRIETTA, VACOAS - ILLEGAL DUMPING - COMPLAINT

(No. B/941) **Mrs F. Labelle (Third Member for Vacoas & Floreal)** asked the Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister for Rodrigues whether, in regard to a complaint of illegal dumping at Henrietta, Vacoas, filed with the *Police de l'Environnement* on 28 May 2013, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if an inquiry has been carried out thereinto and, if so, indicate the outcome thereof.

The Prime Minister: Mr Speaker, Sir, I am informed by the Commissioner of Police that no complaint of illegal dumping at Henrietta, Vacoas, has been reported to the Police on the 28 of May 2013.

However, on the 30 of May 2013, one Mr R. V. M. of Morcellement Pousson, La Marie, Vacoas phoned on the hotline of the *Police de l'Environnement*, and complained about dumping of waste from a private van on a plot of land.

The Central Divisional Environment Protection Team attended to the complaint.

During the course of the Police inquiry, one person has been questioned.

The Police are pursuing their inquiry and upon completion, the case file will be forwarded to the Director of Public Prosecutions for advice.

Mrs Labelle: Mr Speaker, Sir, may I ask the hon. Prime Minister whether it will not be fit when a complainant has filed a complaint and he went to the Police that he be given the required information because this gentleman has been going to the Police, has been writing so many letters to know about the status of his complaint, but, unfortunately, he has never received information. Is it not proper that someone – a citizen - receives information particularly when he has filed a complaint with the Police?

The Prime Minister: But, as I said, Mr Speaker, Sir, the Police are proceeding with the inquiry, so, they cannot say anything as far as they could tell him that the Police are inquiring.

POLICE FORCE – REORGANISATION

(No. B/942) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière) asked the Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister for Rodrigues whether, in regard to the Mauritius Police Force, he will state if consideration will be given for a commission to be set up to look into the re-organisation thereof and, if so, indicate when and, if not, why not.

(Withdrawn)

CARGO HANDLING CORPORATION - PRIVATISATION

(No. B/943) Mr R. Uteem (Second Member for Port Louis South & Port Louis Central) asked the Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister for Rodrigues whether, in regard to the proposed privatisation of the Cargo Handling Corporation, he will state where matters stand.

The Prime Minister: Mr Speaker, Sir, the project for a Strategic Partner for the Cargo Handling Corporation Ltd (CHCL) dates as far back as July 2001. The then Government agreed that the Mauritius Ports Authority (MPA) would divest all its shares, that is, 40%, which would be taken over by the Strategic Partner of international repute in order to enhance the operational

efficiency of the Corporation and its know-how. The Government then agreed to seek the assistance of the World Bank for Consultancy Services to provide the best guidance on the various procedures for the selection of a Strategic Partner.

In February 2003, following the recommendation of the then Ministry of Economic Development, Financial Services and Corporate Affairs, it was decided to put the project on hold until such time when the CHCL attained financial sustainability.

In 2005, when my Government came back to power, we decided to review this project in order to enable the development of Port Louis harbour into a major transshipment hub and enable it to capture the substantial container traffic growth potential in the region.

Accordingly, in March 2007, Government agreed to the following three-pronged strategy to reposition Port Louis Harbour as a hub in the region -

- (i) both the Cargo Handling Corporation Ltd and the Mauritius Ports Authority would pursue their investment programme in terms of procurement of new equipment to enhance service level;
- (ii) the Cargo Handling Corporation Ltd and the Mauritius Ports Authority would work out and implement such strategies and labour practices to improve productivity and efficiency in the port, and
- (iii) identifying Strategic Partners for cargo handling operation through a competitive international bidding process.

In June 2007, the Government decided that the services of the International Finance Corporation (IFC) be enlisted for the implementation of the Strategic Partnership Project for the Corporation.

In July 2008, following several rounds of consultations an agreement for the enlistment of the services of IFC as financial services advisor for the Strategic Partnership Project was signed.

In February 2009, Government agreed to the launching of the Request for Pre-qualifications bids for the Strategic Partnership Project.

In March 2009, tender notices for the Request for Pre-qualifications exercise were published in the local press, through the Government Information Service as well as in 'The

Economist'. Furthermore, a notice was circulated to all the foreign missions accredited in Mauritius and given wide publicity abroad through our missions.

As at the closing date, on 16 April 2009, six firms responded to the Request for Pre-qualification bids.

The Pre-qualification bids were evaluated by the IFC which recommended that five applicants were compliant. An independent Pre-qualification Committee was appointed by the External Communications Division to review the recommendation. The Committee confirmed that the evaluation process was conducted in a fair and systematic manner in accordance with established criteria.

In September 2011, the request for proposal documents was issued to the five pre-qualified bidders for their comments and views. The documents consisted of -

- (i) the request for proposal memorandum;
- (ii) the new concession agreement;
- (iii) the share sales agreement, and
- (iv) the shareholder agreement.

A pre-bid meeting was held on 05 and 06 October 2011 with the pre-selected bidders to fine-tune the documents.

In December 2011, Government agreed to the final bid documents being launched to the pre-qualified bidders. The bid documents were launched by the IFC on 24 February 2012. As at the closing date on 25 April 2012, only one bid was received. The Bid Evaluation Committee, which examined the offer found it to be non-compliant and non-responsive.

On 18 May 2012, Government took note of the outcome of the Bidding exercise and decided to set up a High-Powered Committee comprising the Vice-Prime Minister, Minister of Finance and Economic Development as Chairperson and the Minister of Education and Human Resources and the Minister of Labour, Industrial Relations and Employment to recommend ways and means to stabilise the financial situation of the CHCL in the short-term.

The High-Powered Committee had a meeting in June 2012 and decided to give some time to the new Managing Director, who assumed office on 28 May 2012 to take stock of the situation at the CHCL before making any firm recommendations to the Government.

Productivity increased to an average of 18.0 moves per hour in 2012 and further to 19.2 in 2013. In certain months, the productivity has gone beyond 20 moves per hour which is above the benchmark set by the World Bank. The Managing Director had a meeting with all the stakeholders on the proposal to increase the tariffs. As a matter of fact, tariff for transshipment had remained unchanged since 2008 and for the captive cargo since 2011.

The stakeholders raised no objection to the proposal provided that productivity and service level would be enhanced.

Subsequently the High-Powered Committee met on 19 February of this year and took note of the overall situation at the CHCL. The Committee recommended that the cargo handling tariffs be increased by 14.3% and transshipment by 10%. These recommendations were endorsed by the Government on 29 March 2013 and the increase in tariffs was made effective as from 01 June 2013.

I am also informed by the CHCL that it had started negotiations with development partners for financing of the purchase of equipment to make the Mauritius Container Terminal which is being extended by 240 metres to become operational by 2016.

In the light of the development I have just highlighted, the appointment of a Strategic Partner for the Cargo Handling Corporation will only be considered once the Corporation has attained financial sustainability.

Mr Uteem: Mr Speaker, Sir, answering to a PQ last year, which is reproduced today in this august Assembly, the hon. Prime Minister mentioned that KPMG was going to perform an organisational and financial review with specific terms. May I know from the hon. Prime Minister whether KPMG has published its report and what was its recommendation?

The Prime Minister: I think it had done the review, whether it has published the report or not, I am not aware, Mr Speaker, Sir. But, as I said, this is what we have decided, that we want the financial stability to happen first.

Mr Uteem: Is there a time frame for the Cargo Handling Corporation Ltd to achieve that financial stability? Bearing in mind that during Committee Stage one of the identified weaknesses of CHC is, and I quote -

“Lack of investment in equipment due to high level of indebtedness in the Corporation.”

The Prime Minister: That's what I said in my answer, Mr Speaker, Sir. I have just said that we are investing in equipment which had not been invested for quite some time and that is what we are doing.

Mr Uteem: May I know from the hon. Prime Minister whether he is aware of the *malaise* among the workers of the Cargo Handling Corporation Ltd who have referred several cases to the Supreme Court and to ICAC in relation to recent appointments carried out in Cargo Handling Corporation Ltd?

The Prime Minister: That is for ICAC and the Supreme Court to deal with, Mr Speaker, Sir.

Mr Speaker: The next question goes to hon. Fakeemeeah. He is not present. Hon. Obeegadoo!

MINISTER OF TERTIARY EDUCATION, SCIENCE, RESEARCH AND TECHNOLOGY - CONFLICT OF INTEREST

(No. B/946) Mr S. Obeegadoo (Third Member for Curepipe & Midlands) asked the Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister for Rodrigues whether, in regard to tertiary education, he will state if he has been made aware of conflict of interest issues involving the Minister responsible therefor and, if so, will he consider advising the President of the Republic to relieve the incumbent of his ministerial responsibilities.

The Prime Minister: Mr Speaker, Sir, I am not aware so far of any conflict of interest involving the Minister of Tertiary Education, Science, Research and Technology.

Therefore the question of advising the President to remove the Minister from office does not arise.

Mr Obeegadoo: Is the hon. Prime Minister aware that quite apart from having overall political responsibility for the sector, the hon. Minister has been, until recently, a trustee of one of the institutions of the private sector, that his family is heavily involved in the business of running private profit-making tertiary institutions and that he, himself, is reportedly a student of the tertiary sector in Mauritius? Is the hon. Prime Minister aware and if that is so, would it not be proper in any self-respecting democracy that the hon. Minister steps down?

The Prime Minister: The hon. Member is making reference as if factual. If he looks at my answer, I said I am not aware of any conflict of interest involving the Minister. If he goes through the whole - I think, the hon. Minister has also answered questions on this - he will see that, in fact, that's why I said I am not aware of any conflict of interest. There is part of the family who is running the - this is a different matter, this is something to do with TEC, not conflict of interest.

Mr Obeegadoo: The hon. Prime Minister is surely aware that out of the 57 or so private institutions, at least four, maybe five are run by the family of the hon. Minister. But, most importantly, Mr Speaker, Sir, is the hon. Prime Minister not aware that - I will name the institution - EIILM Mauritius has been at the centre of a controversy, a running controversy for years now, and that the operation of that institution is decried by the Indian Authorities and that its legality in Mauritius has been very much in doubt? Is he not aware of such a situation and, if so - because I am sure the hon. Prime Minister must be aware - will he consider asking for independent advice from the State Law Office as to the legality of EIILM under Mauritian law and, out of respect for our democracy, ask the hon. Minister to step down pending the clarification of this whole mess we are in?

Mr Speaker: Hon. Obeegadoo, I have listened to your question. You started with 'is the hon. Prime Minister not aware', and then 'is the hon. Prime Minister aware'. Which is which?

Mr Obeegadoo: My question is: is the hon. Prime Minister not aware of the controversy, of the fact, and is he...

(Interruptions)

I am sorry, do I have to take such interruptions from a Minister who has nothing to do with my question? I would wish to be free to put my questions, Mr Speaker, Sir, without any such unwarranted interruptions.

Mr Speaker: Address the Chair!

Mr Obeegadoo: Yes, indeed.

Mr Speaker: I am listening to you!

Mr Obeegadoo: I am addressing the Chair. My question is very simple. I am asking the hon. Prime Minister whether he is not aware of the ongoing controversy and, if so, if he is aware,

then, will he ask in the interest of the integrity of public governance in this country that the hon. Minister be relieved of his functions, and will he ask for advice from the State Law Office, which we have always been promised, but has never been shared with this House?

The Prime Minister: Mr Speaker, Sir, perhaps I would have to go and give further details to explain that there is – I am not aware of any conflict of interest. I think the hon. Member is mixing up the Jeetah family and the conflict of interest where this is something to do with TEC, not with the hon. Minister himself. Let me just say, Mr Speaker, Sir, the first application for registration of the EIILM University was made – that is, the Mauritian Branch – in 2006 by the Ramnath Jeetah Trust, and the registration was granted for five years as from 2007. There was a change in management in 2010, and the Trust was no longer running and managing the EIILM University Mauritius Branch Campus. The application for renewal of the registration of that University, that is, the Mauritius Branch Campus was made on 06 April 2012 by EIILM Limited formerly known as Cyber Academy Limited, which is a separate and distinct entity from the Ramnath Jeetah Trust. The EIILM University Branch Campus is, therefore, not run or owned by the Ramnath Jeetah Trust. It is run by the EIILM Limited. I need to emphasise, Mr Speaker, Sir, the fact that the hon. Minister of Tertiary Education, Science, Research and Technology is neither a member of the Board of Directors of the EIILM Limited nor a Director of the EIILM University Mauritius Branch Campus. Furthermore, in accordance with the section 12A of the Tertiary Education Commission Act, as amended in 2007, approval of the registration of institutions is the sole prerogative of the Commission. Since 2007, the hon. Minister has, therefore, no power authority under the prevailing legislation to give any directives or interfere with any matter relating to the registration of any specific post secondary education institutions or accreditation of any programmes offered by the institutions. Nevertheless, given that the EIILM Limited is owned by his brother, the hon. Minister has taken care to declare an interest on several occasions. I can give the hon. Member examples of the interest, including in the Cabinet, by letter.

Mr Speaker, Sir, it should also be brought out that hon. Jeetah was not the Minister responsible for Tertiary Education when EIILM University decided to set up a branch in Mauritius in May 2007. It is also noteworthy that the Ramnath Jeetah Trust had initiated action for approval of the setting up of a training centre in 1999, and had obtained a certificate of registration as a training centre for IVTB on 01 June 2009. The Trust received approval for the

lease of land at Ebène on 10 April 2003, and obtained registration from MQA as a training centre on 20 April 2004. In these circumstances, as I said, there is no conflict of interest that I am aware of.

Mr Ganoo: May I ask the hon. Prime Minister whether he is aware that according to the TEC Act, which he has just himself referred to, the appointment of all staff of the TEC Board depends upon the approval of the Minister. Therefore, it is the Minister who approves the employment of all members of the Board. The hon. Prime Minister should know that although, as he said, when the EIILM University was founded, the hon. Minister was not Minister at that time, but after he became a trustee - because this is to the common knowledge of everybody – how many decisions had been taken at that time pertaining to the Ramnath Jeetah Trust when the hon. Minister has been Minister of Tertiary Education.

The Prime Minister: As I said, Mr Speaker, Sir, in 2007, hon. Jeetah was not even the Minister and I can say that the registration of the Ramnath Jeetah Trust, as a training centre, took place – the application was on 01 June 2001; the Trust received approval for the lease of land on 10 April 2003 and the registration was obtained from MQA as a training centre from 20 April 2004. So, this is a long running story. It is not that when the hon. Minister became Minister that this happened, and as for how many decisions the Board took, I have explained, Mr Speaker, Sir. The hon. Minister has absolutely no power under this authority to give any instructions to the Board. The Board must assume the responsibility.

Mr Speaker: Yes, hon. Jugnauth!

(Interruptions)

Mr Jugnauth: May I ask the hon. Prime Minister...

(Interruptions)

...if he is aware that Mr Ramnath Jeetah had stated on radio with regard to the possible conflict of interest, where he was interviewed, he stated: “yes, there is a conflict of interest.” If the hon. Prime Minister is not aware, would he, at least, look into it and cause an enquiry to be carried out so that, at least, we know what Mr Ramnath Jeetah is talking about with regard to the conflict of interest?

The Prime Minister: I looked into it. My understanding is that what he wanted to say was that there is a potential of conflict of interest. That is why he removed him from the Trust.

Mr Bodha: My question is more or less the same, but I would like to bring to the kind attention of the hon. Prime Minister what Mr Ramnath Jeetah said himself, whether he is aware of that. What he said is – “*kan enn quelqu’un ministre li pa kapav ouvert l’université ou mem.*” The question was : ‘*Ou concéder ki trois ans de cela ti ena conflit d’intérêt?* » The answer was: “*Naturellement li bizin coumsa*”.

Mr Speaker: Yes, what is the question of the hon. Member?

Mr Bodha: My question is the fact that on answering PQ B/563, the hon. Minister had himself said in this House: “Yes, I am a trustee of the Trust, that is all”, and in view of the fact that the father has said that “*naturellement li bizin coumsa*”, I would like to ask the hon. Prime Minister whether there is not matter for an enquiry to be carried out and as regards to the Eastern University, the hon. Minister, himself, when the UGC and the Minister from India came, he was trying to find a solution for the irregularities of the Eastern University in this country.

The Prime Minister: I think what is important is that we make the difference between trustee and beneficiary. That is important. The hon. Member is a lawyer; he should know that it is not actually the same thing. As I said, Mr Speaker, Sir, there was a potential of conflict of interest, and he was removed from the Trust.

Mr Speaker: Next question, hon. Ganoo!

(Interruptions)

CENTRAL PROCUREMENT BOARD – MEMBERS – APPOINTMENT

(No. B/947) Mr A. Ganoo (First Member for Savanne & Black River) asked the Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister for Rodrigues whether, in regard to the Central Procurement Board, he will, for the benefit of the House, obtain therefrom, information as to when were the present members thereof first appointed, indicating –

- (a) the duration of the respective term of office thereof, indicating -
 - (i) if any of them has had his contract renewed and, if not, why not, and

- (ii) the number thereof in office for more than six years, indicating if advice has been sought and obtained as to whether this is in order, and
- (b) if vacancies exist thereat and, if so indicate -
 - (i) since when, and
 - (ii) the reasons for the non filling thereof.

The Prime Minister: Mr Speaker, Sir in regard to part (a) of the question...

(Interruptions)

Mr Speaker: I have decided, hon. Obeegadoo! The question has been sufficiently aired.

(Interruptions)

I want some order! If any Member is not satisfied, the Member should know the procedure!

(Interruptions)

Hon. Ganoo has already put a question! Yes, hon. Prime Minister!

The Prime Minister: Mr Speaker, Sir, in regard to part (a) of the question, the members of the Central Procurement Board were first appointed on 05 November 2007 for a term of office of three years, in accordance with section 8(2) of the Public Procurement Act.

In regard to part (b) of the question, on expiry of the term of office, the Chairperson and Members of the Central Procurement Board were allowed to remain in office, pursuant to section 31(3) of the Interpretation and General Clauses Act.

In regard to part (c) of the question, one vacancy occurred in December 2011, following the resignation of one Member for personal reasons. The vacancy will be filled on the reconstitution of the Board.

In regard to part (d) of the question, following legal advice obtained, three Board Members, who have already served for six years, have exceptionally been allowed to remain in office pending the appointment of the new Board members, and action has already been initiated for the reconstitution of the Board.

Mr Ganoo: Mr Speaker, Sir, my question relates to the Central Procurement Board, but, in fact, it should have included also the IRP and the PPO. Be it as it may, is the hon. Prime

Minister aware, therefore, that, in fact, since the expiry of their contract in November 2010, all these members are serving on a month-to-month basis?

The Prime Minister: Yes, as I explained, it is because we are reconstituting the Board. We are trying to find new members to fill the positions in the Board.

Mr Ganoo: Yes, but in view of the importance of these three bodies, namely the Central Procurement Board, the IRP and the PPO, is the hon. Prime Minister aware that, according to legal advice tendered to his own Office, the legal advice was to the effect that members who have completed a six-year period cannot be allowed to stay in office, given that their term of office is limited to terms of three years?

The Prime Minister: No, Mr Speaker, Sir, I do not have this advice. In fact, the advice I have is different, and I gave an example of the advice. But, in any case, as I said, the Board members are being appointed shortly; the new Board members. Not all of them are going to be new.

QUATRE BORNES – PROSTITUTION-FREE & JULES KOENIG TRAFFIC CENTRE

(No. B/948) Ms K. R. Deerpalsing (Third Member for Belle Rose & Quatre Bornes) asked the Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister for Rodrigues whether, in regard to Quatre Bornes, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if a review of the policing strategy thereat is being envisaged in order to ensure -

- (a) a prostitution-free town centre, and
- (b) strict policing of non-law abiding individual buses at the Jules Koenig Traffic Centre.

The Prime Minister: Mr Speaker, Sir, as the House is aware, following Parliamentary Question 1B/393 addressed on 03 August 2010 by the hon. Member, action was taken to close Ti Vegas Gaming House, which was the source of a lot of complaints from the inhabitants of Quatre Bornes. This measure in itself serves to considerably reduce the level of prostitution in that area.

However, in regard to part (a) of the question, I am informed by the Commissioner of Police that the Police have taken preventive and law-enforcement measures to address

prostitution-related problems in several areas in Mauritius, including this area. As far as Quatre Bornes is concerned, although there has been a decrease in the level of prostitution thereat, the Police have intensified their regular crackdown operations in the town centre, to further curb down prostitution-related occurrences. Police action has resulted in an increase in the number of contraventions.

As far as preventive measures, Police have increased their presence in those areas, and carried out sensitisation campaigns in Quatre Bornes by the Police Family Protection Unit, the Crime Prevention Unit and the *Brigade Pour La Protection des Mineurs*.

I am also informed that Police have reviewed their present strategy, to have a more efficient policing of prostitution-prone areas concerned through -

- (i) intensification of foot/mobile patrols in the affected areas;
- (ii) increasing Police operations in the Quatre Bornes town centre, and
- (iii) encouraging additional support from the community during community policing forums.

In regard to part (b) of the question, the House will reckon that Jules Koenig Traffic Centre is situated in the heart of Quatre Bornes. It is a bus station, where a total of 37 buses, including 16 owned by private individuals, operate on a daily basis along seven routes.

I am informed by the Commissioner of Police that the Police take appropriate actions against buses which contravene traffic regulations. A total of 53 contraventions have been established by the Police from 01 January to 12 December of this year, out of which 29 concern individual buses.

I am also informed by the Commissioner of Police that he is reviewing the present policing strategy, with a view to ensuring that buses leave the traffic centre within their scheduled time. The new measures will include –

- (i) regular meetings with individual bus owners, so that they know what are going to be the action taken by the Police;
- (ii) additional deployment of personnel during peak times, and
- (iii) establishing contraventions against irresponsible bus drivers.

Mr Speaker, Sir, I am also informed that the Inspectorate Section of the National Transport Authority carries out regular checks at the Quatre Bornes Traffic Centre to deter the bus drivers/conductors from engaging into any traffic malpractices.

On its part, the Traffic Management and Road Safety Unit has established a clearway along Victoria Avenue, from its junction with Baissac Avenue to the signalised junction with St Jean Road, by providing double yellow lines on both sides of the road, with a view to increasing the capacity of this road to move traffic in the direction of St Jean during morning and afternoon rush hours.

However, I understand, Mr Speaker, Sir, that the sewerage works being carried out have also disrupted these measures. Upon completion of these works, which is scheduled for 20 December of this year, the Wastewater Authority will reinstate all double yellow lines along Victoria Avenue, so that the clearway is established once again.

Additionally, Mr Speaker, Sir, the Police are in the process of awarding a contract for the acquisition and installation of some 100 CCTV cameras by the end of this year. These cameras will be installed in the town of Quatre Bornes and its outskirts, to reinforce Police monitoring in the area.

Ms Deerpalsing: Mr Speaker, Sir, the hon. Prime Minister is absolutely right that the closure of Ti Vegas has improved the situation in terms of prostitution near Ti Vegas. But, in the last few months, there has been resurgence at two particular places, especially at the corner of Capucines Avenue and Avenue Orchidées, Route St. Jean. Can I ask the hon. Prime Minister whether the Police could, early in the evening, have patrols specifically there, so that the town centre is not affected by that?

The Prime Minister: In fact, I had a discussion with the Commissioner of Police about this matter, and he is reviewing how he will send Police reinforcement, and at what time. But I prefer not to say the times.

Ms Deerpalsing: One last question, Mr Speaker, Sir. Since the hon. Prime Minister has mentioned that there will be CCTV cameras installed, may I request that the CCTV cameras are installed specifically in those places, and also at the traffic centre near Baissac Avenue, so that the individual buses stop there...

Mr Speaker: This is a request. It is not a question! Time is over! Questions addressed to hon. Ministers! Hon. Mrs Labelle!

NEF – SCHOOL MATERIALS - SUPPLIERS

(No. B/950) Mrs F. Labelle (Third Member for Vacoas & Floreal) asked the Minister of Social Integration and Economic Empowerment whether, in regard to school materials, he will, for the benefit of the House, obtain from the National Empowerment Foundation, information as to the names of the suppliers thereof for 2011, 2012 and 2013 respectively, indicating in each case, the contract value thereof.

Mr Dayal: Mr Speaker, Sir, with your kind permission, I am tabling the list of suppliers and contract value in regard to the provision of school materials.

Mr Speaker: Hon. Mrs Labelle, do you have any supplementary question?

Mrs Labelle: Yes, thank you, Mr Speaker, Sir. May I ask the hon. Minister whether he is aware that one supplier - I don't know whether he is on this list - is the one who comes and picks the cheques for the other suppliers? Is he aware of such a situation?

Mr Dayal: Mr Speaker, Sir, I am not aware of such a situation. There is a procurement procedure.

Mrs Labelle: Mr Speaker, Sir, since according to my information this is the case, will the hon. Minister initiate an enquiry to ensure that the other suppliers are not just acting as *prête-noms* to one of the suppliers?

Mr Dayal: Mr Speaker, Sir, I do not interfere with procurement matters.

Mrs Labelle: Though the hon. Minister does not - I hope so, and we appreciate that - interfere with procurement matters, but if maybe there is a malpractice somewhere, will he, at least, ensure that there is no malpractice in such situations?

Mr Dayal: I have taken note, Mr Speaker, Sir.

Mr Speaker: I have to announce that Parliamentary Questions B/960 and B/985 have been withdrawn. So, next question, hon. Mrs Labelle!

MINISTRY OF SOCIAL SECURITY – MEDICAL OFFICERS - DOMICILIARY VISITS

(No. B/951) Mrs F. Labelle (Third Member for Vacoas & Floreal) asked the Minister of Social Security, National Solidarity and Reform Institutions whether, in regard to domiciliary visits, she will state the -

- (a) number of cases whereby same are reported to have been –
 - (i) effected while Basic Retirement Pension had already been stopped for the year 2011 and 2012, respectively, and
 - (ii) scheduled for persons who had already passed away during the year 2012, and
- (b) names of the medical officers who effected same in 2011 and 2012, indicating the respective amount of fees paid thereto in connection therewith.

Mrs Bappoo: Mr Speaker, Sir, referring to parts (a) and (b) of the question, I am not in a position, at this stage, to provide the House with the exact number of cases for 2011 and 2012, as the investigation is still going on, and the list will thereafter be compiled. However, Mr Speaker, Sir, I wish to inform the House that following numerous shortcomings observed in the payment of domiciliary visits (DVs) to medical practitioners attached to my Ministry, a request was made by the then Permanent Secretary in 2012 to the Internal Control Unit posted at my Ministry, for a thorough audit of the Medical Unit to be carried out, with emphasis on domiciliary visits provided to persons aged 75 and above. The report of the Internal Control Audit submitted in 2012 was used as a base document by the National Audit Office during their recent audit exercise, and findings on the functioning of the Medical Unit were published in this year's National Audit Report for my Ministry.

The report of the Internal Audit includes, Mr Speaker, Sir, just a sample survey carried out for a period of four months, on the basis of which, it was observed that one Medical Practitioner was paid fees for Domiciliary Visits (DVs) in respect of deceased beneficiaries, in spite of the fact that the Ministry had already stopped payment of the Basic Retirement Pension (BRP) to those persons, following information obtained from the Civil Status Office. In one case, in particular, it was observed that the beneficiary passed away as far back as 2003.

This issue was viewed with much concern by my Ministry and the matter was immediately referred to the Police for an enquiry to be carried out on the Domiciliary Visit Services and for appropriate action to be taken. The Police has already started its enquiry and a report is awaited. Pending the receipt of the Police Enquiry report, my Ministry is pursuing its investigations, with the assistance of our Internal Control Unit, in respect of other Medical Practitioners to detect any other cases of overpayment which may have occurred in respect of deceased beneficiaries.

Therefore, Mr Speaker, Sir, in view of the fact that the matter is already under Police enquiry and following the advice obtained by the State Law Office, I will refrain from commenting further on this issue in order not to prejudice the outcome of the case and the rights of those involved.

I will, of course, provide to the House the required replies to the present question as soon as the exercise is over.

Mrs Labelle: Mr Speaker, Sir, the hon. Minister has mentioned that there is a Police inquiry going on. May I ask the hon. Minister, at the level of her Ministry, whether a particular action has been taken concerning those medical practitioners who were involved in these cases?

Mrs Bappoo: I said that the sample survey identified one doctor. Regarding that doctor, immediately we have taken action. The service has been stopped and the case has been referred to the Police. But, at the level of the Ministry, we have also taken appropriate measures so that now all access to information go on an electronic link. Formerly, things were done manually, Mr Speaker, Sir. Now, with the introduction of the electronic link, things will be better and we are pursuing our work in this way, pending the report of the Police and the whole of the Internal Control.

Dr. S. Boolell: Mr Speaker, Sir, I would like to ask the hon. Minister what are the criteria for the recruitment of Medical Officers who are attached to her Ministry, and who recruits them actually?

Mrs Bappoo: I don't have the exact criteria at hand, Mr Speaker, Sir, but the Medical Unit is responsible for the recruitment of the Officers through press advertisement and with the approval of PSC. But I know that due to lack of Medical Officers at the level of the Ministry of

Health and Quality of Life at a certain time, it was decided at that time to recruit mostly doctors going for retirement; they were the doctors who were recruited with the approval of the PSC.

Dr. S. Boolell: Mr Speaker, Sir, I would like to ask the hon. Minister whether there has been any form of collusion between Officers of her Ministry who ought to have been more vigilant and the doctors who have been overcharging?

Mrs Bappoo: Well, this is what I have said at the beginning when we requested the investigation to be carried out by the Internal Control. It causes a lot of harm to the Ministry, but we are carrying an in-depth investigation to know exactly the culprits.

Mrs Dookun-Luchoomun: May I ask the hon. Minister whether there was not any Government's decision in the past to review the whole system and to get doctors who would be recruited solely for the Ministry of Social Security, National Solidarity and Reform Institutions?

Mrs Bappoo: I have not followed the question clearly, Mr Speaker, Sir.

Mr Speaker: Would you repeat the question, please?

Mrs Dookun-Luchoomun: I am asking the hon. Minister whether she could confirm to the House, if in the past, no decision was taken by Government to review the whole system of domiciliary visits so that the Ministry would recruit doctors specifically for the domiciliary visits at the Ministry.

Mrs Bappoo: Yes, Mr Speaker, Sir, even there has been a decision when the hon. Member of the Opposition was there as Minister, informing Cabinet about the restructuring of the Medical Unit. This model has all along been reviewed and that's why we came in the Budget of 2014 with another way of tackling the problem, having the option of domiciliary visits (DVs) or the cash payment of Rs500. So, this will start as from January and we will see, according to that, if it does give its fruit, because there will be the involvement of less doctors.

Mrs Labelle: Mr Speaker, Sir, the hon. Minister mentioned the Audit Report for the year 2012. In the Audit Report for the year 2011, these shortcomings were mentioned. May I ask the hon. Minister whether the Medical Officer/s involved in these cases were the same for the year 2011, and whether any particular action was taken after the remarks of the Audit Report for the year 2011?

Mrs Bappoo: That's why we started the inquiry at the level of the Internal Control of the Ministry, and the identification of doctor was just made in June 2012 and it was on this report that the Audit Report was based.

Mr Speaker: One last question!

Mrs Dookun-Luchoomun: I wanted to ask the hon. Minister - I am not talking about the alternative method of having a domiciliary visit or getting money instead - whether a decision was taken by the Ministry to recruit doctors to perform domiciliary visits solely for the Ministry, that is, not doctors coming on sessional basis, but doctors recruited for that particular purpose at the Ministry, and why it has taken so long for the implementation of the decision?

Mrs Bappoo: It was a project that was worked out, as I said in 2010 or 2011, when the hon. Member was there as Minister. But still we have worked, again and again, and finally we have reviewed that method and we came to the conclusion to involve less doctors, more saving for the Ministry of Finance instead of having excess payment. To review the whole thing, let us start the new option, i.e. DVs or Rs500 monthly. Let us see what 2014 will give us as result, and from there, if there is need to review again the Programme, we will do it.

LIGHT RAIL TRANSIT PROJECT - COST

(No. B/952) Mr K. Li Kwong Wing (Second Member for Beau Bassin & Petite Rivière) asked the Vice-Prime Minister, Minister of Public Infrastructure, National Development Unit, Land Transport and Shipping whether, in regard to the Mauritius Light Rail Transit Project, he will state –

- (a) the proposed -
 - (i) length of the rail tracks, and
 - (ii) number of stations, that will be constructed;
- (b) the estimated number of -
 - (i) daily commuters, and
 - (ii) passenger density per wagon;
- (c) the estimated cost thereof;

- (d) if the feasibility thereof has been established, and
- (e) the proposed price per ticket between Curepipe and Port Louis.

The Minister of Environment and Sustainable Development (Mr D. Virahsawmy):

Mr Speaker, Sir,

- (i) The proposed length of the railway track is around 26 kilometres stretching from the bus station in Curepipe to the Victoria bus station in Port Louis.
- (ii) Within the preliminary design, there are 19 stations in all, out of which 6 will be the main ones. The final and exact number of the other intermediate stations will be known when the proposals from the proponents would have been assessed.

With regard to part (b) of the question –

- (i) Based on surveys and studies carried out by the Consultants, ridership of the MLRT is expected to be approximately 50 million passengers per annum in 2018.
- (ii) It is premature at this stage to determine exactly the passenger density per wagon. However, the Consultants have assumed a rolling stock of 25 to 28 trains, each made up of 5 wagons of 9 metres long. This has been based on the assumed daily patronage. However, the assumptions made by SCE are only benchmarks against which bidders will have to provide attractive proposals.

With regard to the estimated cost of the project, the consultants have estimated the capital cost to be around Rs22 billion. However, the exact cost of the project shall be only known when the Request for Proposals exercise would have been completed and the preferred bidder identified.

Based on reliable and tested assumptions, the consultants have confirmed that the MLRT project is financially feasible and economically viable.

According to the financial model recommended by the consultants, the fares of the MRLT have been modeled as being equivalent to the current (2013) bus fares. This shall be one of the numerous yardsticks against which proposals received from shortlisted bidders will be measured.

Mr Li Kwong Wing: Mr Speaker, Sir, since there would be 19 stations along the way over 26 kilometres, will not the trip be longer and take more time than the bus trip for the distance between Curepipe and Port Louis, and, therefore, does it not mean that the trip will be longer and also that it is going to be slower in speed? So, what is the advantage that the LRT will bring to the daily commuter?

Mr Virahsawmy: No, I think the hon. Member is wrong when he assumes all this. The consultant has taken into consideration the distance, the number of stations and all this to make the trip quicker and more comfortable. So, we will have to wait for the final decisions to come and then we will decide.

Dr. Sorefan: Mr Speaker, Sir, may I know from the hon. Minister whether students and old age pensioners will not have to pay when the LRT goes in function?

Mr Virahsawmy: Well, this is a policy decision, Mr Speaker, Sir, and we will have to take a decision when the time comes.

Mr Bodha: Mr Speaker, Sir, may I ask the hon. Minister whether the fare which has been mentioned here and which would be at par with what we have today as regards to bus fares, does that include a subsidy by Government?

Mr Virahsawmy: We cannot talk of subsidy so long as we have not finished the study and the consultant has not finalised when it comes to recruiting the preferred bidder, because we are using as yardstick the 2013 bus fares. If tomorrow the preferred bidder comes forward based on these fares, there is no point in talking of subsidy. So, we have to wait for that proposal and for the financial closure also and then we will decide.

Mr Li Kwong Wing: Mr Speaker, Sir, the hon. Minister mentioned that the total cost of the project will be Rs22 billion for the whole track and the rolling stock. Can the Minister inform us whether it will be an elevated system and whether the price that is going to be charged to the daily commuters will be sufficient to pay for the cost of maintaining and building the project, especially given that they are going to maintain the price at the equivalent bus fare in 2013?

Mr Virahsawmy: Yes, I believe all this has been taken care of by the consultant and will be taken care of when it comes to the time of choosing the preferred bidder.

Mr Li Kwong Wing: Since the Minister is mentioning that all this is taken care of by the consultant, may we know what is the name of that consultant, his experience in this LRT Project and when did he submit the report, and if we could have a copy of the report tabled in the Assembly?

Mr Virahsawmy: I know that the Vice-Prime Minister spoke lengthily during his Budget Speech on this project and the consultant. So, I will ask the substantive Minister, when he comes, to lay down all the information which the hon. Member has asked for.

Mr Bodha: Well, we know that the substantive Minister is not here, but may I ask the hon. Minister whether we could have an idea of consultancy fees that we have spent so far in the implementation of this project?

Mr Virahsawmy: Yes, Mr Speaker, Sir, the consultancy fees is public as it has been announced on two occasions by the Vice-Prime Minister himself and during the Budget Speech. The first contract is for 7.2 m. Singaporean dollar and the second contract is for 8.8 m. Singaporean dollar.

Mr Li Kwong Wing: Mr Speaker, Sir, in the financial modelling, if there are not enough daily commuters to travel on the LRT, given the cost of running the LRT, will the Government therefore guarantee that the concessionaire, the contractor, will get sufficient return by subsidising it or providing a guaranteed return to the contractor if there are not enough daily commuters and if the price that is fixed at today's bus fare is inadequate to give a return to the concessionaire?

Mr Virahsawmy: We cannot base on such a major project, Mr Speaker, Sir, on 'if'. I have mentioned that the consultant is using the fares of 2013 as yardstick. He has done a survey of the volume of travelling passengers and all this information has been compiled by the consultant during his first contract and the second contract to ascertain that the project is feasible, and, like I have said, economically viable. So, let us wait when the consultant finalises and we will get the preferred bidder and then we will find out.

Mr Li Kwong Wing: Does that mean, therefore, that the report has not been finalised; so, we are still studying and doing the modelling in order to now ascertain whether this project is viable or not?

Mr Virahsawmy: No, I have never said that, Mr Speaker, Sir. The hon. Member is putting words in my mouth! Everybody knows that there has been an RFP and that there have been six promoters shortlisted and the RFP is in full swing. The critical items of information cannot be revealed which would jeopardise the integrity of the whole RFP exercise. So, all this has been taken into consideration and I never said that this has not been finalised. The consultant has been working step by step.

Mr Speaker: Next question, hon. Li Kwong Wing!

ECONOMY - ACCOUNT DEFICIT 2011-2013

(No. B/953) Mr K. Li Kwong Wing (Second Member for Beau Bassin & Petite Rivière) asked the Vice-Prime Minister, Minister of Finance and Economic Development whether, in regard to the current account deficit, he will state the amount thereof and its percentage of Gross Domestic Product, for the year 2011, 2012 and since January 2013 to date respectively, indicating the –

- (a) causes thereof;
- (b) sustainability thereof in the near middle term, and
- (c) corrective measures taken, if any, in relation thereto.

The Vice-Prime Minister, Minister of Finance and Economic Development (Mr X. L. Duval): Mr Speaker, Sir, in 2011, the current account deficit stood at Rs43.1 billion, equivalent to 13.3 per cent of GDP.

In 2012, the deficit narrowed down to Rs35.6 billion, and thus improved to 10.3 per cent of GDP.

According to the latest Balance of Payments data published by the Bank of Mauritius, the current account deficit for the first semester of 2013 is estimated at Rs14.3 billion. This represents 8.3 per cent of GDP.

It is, however, expected that for the year 2013, the deficit will be slightly below 10 per cent of GDP.

With regard to part (a) of the question, the House may note that the improvement in the current account since 2011 is a result of a 17.8% growth in exports of goods. This compares to an increase of only 12.5% in imports over the period 2011-2013.

Moreover, exports of services grew by 12.2% as against an increase of 10.8% in imports in the same period.

This welcome improvement is a result of our efforts to -

- (i) diversify exports of Mauritian goods and services;
- (ii) diversify our exports markets;
- (iii) address misalignment of the exchange rate;
- (iv) extensive support provided to export-oriented enterprises, including SMEs, and
- (v) improve the international competitiveness of our economy.

The House will note that the most recent report of the World Economic Forum has ranked Mauritius as the most competitive economy in Africa.

Mr Speaker, Sir, our overall balance of payments has been consistently in surplus since 2007. This is despite the negative impact of the rising fuel prices and the drastic reduction in the sugar export prices. Our textile exporters have also faced difficulties following the dismantling of the multi-fibre agreement.

As for this year, the latest information shows that the balance of payments will record a surplus of around Rs16.8 billion. This is one of the highest surpluses for decades, and much better than the performance recorded in any of the years between 2001 to 2005, where the BOP was negative in 2001, 2004 and 2005.

In line with the above trends, our foreign reserves have improved dramatically to reach around 27.4% of GDP. The import cover increased significantly from 4.1 months in 2005 to 5.4 months as at October 2013.

With regard to parts (b) and (c) of the question, I wish to point out that we are expecting the current account position to improve further in the medium term and to narrow down to 7 percent of GDP by 2016.

Imports are expected to stabilise, while exports are projected to pick up. The growth in exports will be supported by various factors, including the expected recovery of the world economy, particularly in Europe, and associated increase in tourism earnings from our traditional markets. Growth will also be supported through further market diversification and increase in competitiveness of our economy.

According to independent observers the current account deficit is not significantly different from the estimated current account norm, particularly over the medium term. The House is however aware that the world economy, especially our main market Europe, has been suffering since 2008 from the worst financial crisis for 100 years, and that some time will be required for us to return to previous figures.

The House will also note that our current account deficit as a percentage of GDP compares favourably to similar, Small Island Developing States such as Seychelles (24.1%), St Kitts and Nevis (15.9%), Bahamas (14.9%), and Jamaica (11.4%).

Government is continuing its efforts to consolidate public finances, as reflected by our target to reduce debt to GDP ratio to 50 per cent by 2018.

A large number of growth-enhancing policy measures have been taken in the last budget. These are aimed at boosting productive investment particularly in the marine services platform, the petroleum hub, the aviation hub and the green economy. Together with the Enhanced Africa strategy, these are expected to significantly contribute towards further enhancing long-term external stability and growth.

Mr Speaker: Yes, hon. Li Kwong Wing!

Mr Li Kwong Wing: Mr Speaker, Sir, the hon. Minister has given a sufficiently comprehensive reply, so I don't wish to ask any more information.

Mr Speaker: That's very good! Hon. Ameer Meea!

SAUDI ARABIA – EMBASSY & DIRECT FLIGHTS

(No. B/954) Mr A. Ameer Meea (First Member for Port Louis Maritime & Port Louis East) asked the Minister of Foreign Affairs, Regional Integration and International Trade whether, in regard to Saudi Arabia, he will state where matters stand as to the proposed -

- (a) setting up of an Embassy thereat, and
- (b) operation of direct flights between Mauritius and Saudi Arabia.

Dr. A. Boolell: Mr Speaker Sir, with regard to part (a) of the question, let me reaffirm that Saudi Arabia and the Gulf countries are an important part of the foreign policy pursuits of Mauritius in the Middle East.

And here, I wish to point out that we have steadily secured a credible record of bilateral achievements with Saudi Arabia.

We will continue to build on these achievements by interacting at different diplomatic levels with Saudi Arabia.

First, at the level of our Embassy in Cairo which is concurrently accredited to Riyadh.

In this respect, I am pleased to inform the House that our Ambassador in Egypt, His Excellency Mr Djamil Fakim, presented his credentials on 04 May 2013 to His Highness Prince Saud Al-Faisal, Minister of Foreign Affairs of the Kingdom of Saudi Arabia.

Ambassador Fakim availed himself of the opportunity to engage His Highness Prince Saud Al-Faisal on key bilateral issues, including promotion of Mauritius as a tourist destination to the Saudi Arabian market.

Mr Speaker, Sir, a second platform of interaction takes place in Pretoria between our High Commission and the Embassy of Saudi Arabia which is accredited to Mauritius.

Thirdly, we also have a Honorary Consul in Jeddah in the person of Professor Hashim Mohammed Ali Hussain Mahdi.

Therefore, our regular diplomatic interaction with the Kingdom of Saudi Arabia takes place at three levels -

- (a) through our Embassy in Cairo, directly with Riyadh;

- (b) through our High Commission in Pretoria, and
- (c) through our Honorary Consulate in Jeddah.

I need not mention the close working relationship between Mauritius and Saudi diplomatic missions established in the same capital and city such as New York, Geneva Islamabad, New Delhi and Addis Ababa.

More importantly, Mr Speaker, Sir, we are actively planning for a very high level visit to the Gulf countries including in Saudi Arabia in 2014. The aim is to widen and deepen the scope and magnitude of cooperation with the Gulf countries including Saudi Arabia. To this end, my Ministry and our diplomatic missions in Cairo and Pretoria are currently doing the necessary preparatory work for such a visit to materialise with productive outcomes namely, in terms of growth inducing agreements and greater institutional interactions as well as greater connectivity.

Meanwhile, our Ambassadors in Pretoria and Cairo are following the issue of a donation of land for the purpose of establishing a Mauritius chancery in the diplomatic enclave in Riyadh. Once we are in the presence of a firm and valuable offer, we will take an informed decision in the light of all considerations.

The opening of an Embassy in Riyadh is something which we certainly value. We would equally wish to open up more embassies in order to consolidate relations and advance our economic interests. However, the decision to open up further diplomatic missions in Riyadh or elsewhere will remain guided by a number of considerations such as budgetary constraints, political and economic imperatives, security concerns and mutually beneficial outcomes for countries concerned.

Mr Speaker, Sir, as matters stand and pending the opening of an Embassy in Riyadh, we remain fully engaged with the friendly Government of Saudi Arabia for enhancing our bilateral relations and cooperation. Indeed, the General Cooperation Agreement and the Bilateral Air Services Agreement which we concluded in April 2011 and October 2012 respectively will be signed once a mutually convenient date is finalised in the context of a high level visit to and from Mauritius. Furthermore, negotiations for the conclusion of a Double Taxation Avoidance Agreement are ongoing.

With regard to part (b) of the question, it is to be recalled that, following a round of air services talks in October 2012, a Bilateral Air Services Agreement (BASA) was initialed, whilst a related MoU was signed.

In this respect, the following developments have taken place since then -

- (a) Firstly, in January 2013, Air Mauritius was designated as the airline of the Republic of Mauritius authorised to operate air services to Saudi Arabia in accordance with the MoU and the Bilateral Air Services Agreement;
- (b) Secondly, as the Bilateral Air Services Agreement has only been initialed so far, we are awaiting a response from Saudi authorities for the Agreement to be finalised and signed, and
- (c) Thirdly, Air Mauritius has been consulted and the latter has informed that it has no plan to operate online scheduled flights to and from Saudi Arabia at this juncture. However, it intends to serve Saudi Arabia through codeshare arrangements with its partner airlines. Moreover, Air Mauritius usually operates charter flights to and from Jeddah for the transportation of passengers in the context of the annual Hajj Pilgrimage.

Mr Speaker, Sir, as the House may be aware, Emirates Airlines already operates two flights to Dubai on a daily basis 7 days a week. The market is, therefore, already saturated and operating direct flights to Jeddah may not be, in the current context, an economically viable option for Air Mauritius.

Moreover, there is a preference for Hajj pilgrims to opt for Emirates Airlines mainly in view of the preferential tariff rates offered by the latter. The preferential rate is the result of high level engagement between the hon. Prime Minister and the higher authorities of the Emirates in Dubai.

Mr Ameer Meea: Mr Speaker, Sir, the idea of opening a Mauritian Embassy in Saudi Arabia has been discussed in this House since 2007 and 2008, and also was announced by the hon. Prime Minister during a political gathering in April 2010 in Plaine Verte. So, therefore, can I quote from Hansard what the hon...

Mr Speaker: No, no, no. Just put your question! Put your question!

Mr Ameer Meea: I have to quote from Hansard because this...

Mr Speaker: No. Put your question! You have introduced your question, enough! Put the question!

Mr Ameer Meea: Mr Speaker, Sir, please let me insist, because what the hon...

(Interruptions)

Mr Speaker: I would not allow you to insist! I have said: you put your question!

Mr Ameer Meea: So, the hon. Minister stated that it is a matter of financial resources and also he stated that there has been a proposal of land that was given by the Saudi authorities and, in his reply in 2010, he stated that - that's what I wanted to quote - there is an understanding invitation for the Deputy Prime Minister and the Prime Minister. Let me quote –

“The Deputy Prime Minister will travel to Saudi Arabia and afterwards the Prime Minister will do so (...).”

This was back on 16 November 2010 so, nearly after three years. So, I...

Mr Speaker: Put your question!

Mr Ameer Meea: My question is: can I ask the hon. Minister where matters stand to this invitation after three years, because he stated that ‘will travel to Saudi Arabia’ and also, where financial resources will be available because he said it's a matter of budgetary constraint?

Dr. A. Boolell: Mr Speaker, Sir, whenever an invitation is sent, you have to come to terms with dates to be mutually agreed by both parties. So, that's one thing. Now, I have stated in my reply, if you had listened very carefully, that we are doing what is possible to ensure that there is a high level visit next year. I am sure the hon. Member is aware that the King of Saudi Arabia does not enjoy a good health. They have other domestic issues which we have to address. I am sure the hon. Member has been made aware of this.

Mr Speaker: Yes, hon. Uteem!

Mr Uteem: Thank you, Mr Speaker, Sir. May I know from the hon. Minister whether any study has been carried out by his Ministry to ascertain the actual cost of operating an Embassy in Saudi Arabia?

Dr. A. Boolell: No. But we have an idea of how much it is going to cost. Let me make it quite clear; we have impressed upon them that we would like to have land in the enclave earmarked for the diplomatic Embassies. So, we are waiting for a firm and valuable offer from our friends from Saudi Arabia. Let me also remind the House that this Government is totally committed to enhance bilateral relations notwithstanding issues which have been raised and, of course, you know, all the measures which are being implemented. If I refer back – I don't want to refer back – to 2000-2005; nothing of significant in respect of diplomatic relation was done between the two countries. I am not going to highlight the image of Mauritius then, of the then, Mr Speaker, Sir, Ambassador who was designated to serve in Cairo. So, don't provoke me to say things that I don't want to.

(Interruptions)

Mr Speaker: Hon. Ameer Meea!

(Interruptions)

Silence!

Mr Ameer Meea: Mr Speaker, Sir, the hon. Minister did not hear what I said about this; it was a political promise during the campaign of 2010. It was not a promise of 2000-2005. Therefore, in all the PQs that have been discussed in the House since long, the hon. Minister clearly stated that it is a matter of priority and also of budgetary constraint. So, therefore, can I ask the hon. Minister where, in terms of priority, does this opening of a Saudi Embassy stand on the agenda of the Government and also when will the Budget allow for such opening?

Dr. A. Boolell: Mr Speaker, Sir, let me come to the - I won't even call it a question – query made by the hon. Member. On this side of the House, be it the hon. Prime Minister or any hon. Member of the Government, we don't make promise. We take firm commitment and we honour our commitment.

(Interruptions)

Let me make it quite clear! On priority of issues...

(Interruptions)

Mr Speaker: Silence!

Dr. A. Boolell: ...we put it very high on our agenda and what is good for Saudi Arabia is equally good for Nairobi, is equally good for Lagos or for that matter if we are very keen to open an Embassy in the Latin American countries. If the hon. Member wants to know, we have given it a priority and we consider it to be a top priority, hence the reason as to why we are seeing to it that next year, there will be high-level delegation to travel to Saudi Arabia and the Middle East.

(Interruptions)

Mr Speaker: Order!

Mr Soodhun: Mr Speaker, Sir, the hon. Minister mentioned that we do have good relations with Saudi Arabia. Can he inform the House why it is now that the negotiations between the Minister responsible for Hajj in Mauritius and with his counterpart have stopped? There is no meeting as from this year. The fact that we have good relations and in the absence of a full-fledged Ambassador of Mauritius in Saudi Arabia, why is it that the negotiations which have been prevailing between Mauritius and Saudi Arabia since twenty years ago have stopped now?

Dr. A. Boolell: Mr Speaker, Sir, I think this is a figment of the imagination of the hon. Member.

(Interruptions)

I think on the eve of Christmas, the hon. Member is dreaming to have a gift and it is not going to fall from heaven. Bear with me, learn the truth and manage with the truth!

(Interruptions)

Mr Speaker: Hon. Fakeemeeah! Alright now!

(Interruptions)

I said it's enough! Hon. Soodhun and hon. Minister of Health, don't speak too loud, please!

Mr Fakeemeeah: Can the hon. Minister of Foreign Affairs confirm as it was confirmed by the hon. Prime Minister that there is no interference whatsoever to prevent such event at the opening of the Embassy in Saudi Arabia, that our foreign policy is not dictated by any foreign element and we are keen for the opening of that Embassy?

Dr. A. Boolell: The hon. Member should know that we are a sovereign State. I will put a lot of emphasis on the sacrosanctity of sovereignty.

Mr Speaker: Next question, hon. Ramano!

TOURISM AUTHORITY – DIRECTOR GENERAL - POST

(No. B/955) Mr K. Ramano (Second Member for Belle Rose & Quatre Bornes) asked the Minister of Tourism and Leisure whether, in regard to the post of Director General at the Tourism Authority, he will, for the benefit of the House, obtain from the Authority, information as to -

- (a) if same will be filled through public advertisement and, if so, indicate the reasons therefor;
- (b) the salary and benefits attached thereto, and
- (c) the eligibility criteria therefor.

Mr Yeung Sik Yuen: Mr Speaker, Sir, with regard to part (a) of the question, I am informed by the Tourism Authority that following a decision of its Board of Administration, the post of *inter alia* Director has been advertised in the press.

I am also informed that the decision to advertise the post of Director was prompted by the fact that this position will be vacant as from February 2014, when the contractual appointment of the present Director will come to an end.

As regards part (b) of the question, the salary and benefits attached to the post are as per the recommendations of PRB Report 2013.

Concerning part (c), the eligibility criteria of the post is as laid down in the approved scheme of service.

Mr Ramano: M. le président, la section 1902 du *PRB report* fait mention seulement *to realignment* du *salary range* de R 80,000 à R 102,000. Pourquoi reconsidérer le poste de directeur par un *public advertisement* à cette date précise pour coïncider cela avec la fin du contrat du président actuel?

Mr Yeung Sik Yuen: Mr Speaker, Sir, I told the hon. Member that the Board of the Tourism Authority has decided to go in this direction, but as and when required the file will be on my table and then, I will take the decision whether to go forward or not.

Mr Ramano: M. le président, est-ce que je peux avoir la confirmation de l'honorable ministre que le *scheme of service* du nouveau poste de directeur a été rédigé par un comité présidé par le directeur lui-même?

Mr Yeung Sik Yuen: Not at all, Mr Speaker, Sir.

Mr Ramano: M. le président, une des qualifications requises dans l'*advertisement* qui a été publié c'est '*eight years post qualification experience at senior management level*'. La question est: pourquoi *eight years* expressément? M. le président, j'ai ici le CV du Directeur actuel, M. Niven Muneesamy et je peux vous assurer que c'est très troublant de constater que c'est un exact répliqua du *scheme of service* requis pour le poste de Directeur.

Mr Yeung Sik Yuen: Mr Speaker, Sir, the hon. Member is coming with allegations and it does not mean that the present Director will be heading the Tourism Authority as from March 2014. I have just said that according to the Tourism Authority Act, there shall be a Director of the Authority who shall be appointed by the Board with the approval of the Minister on such terms and conditions as it deems fit. So, it does not mean that the present Director will be there as from March 2014.

Mr Speaker: Next question, hon. Ramano!

TOURISM AUTHORITY - JET SKI/SEA KART - LICENCES

(No. B/956) Mr K. Ramano (Second Member for Belle Rose & Quatre Bornes) asked the Minister of Tourism and Leisure whether, in regard to jet ski/Sea Kart, he will, for the benefit of the House, obtain from the Tourism Authority, information as to the number of applications received for the issue of licences therefor, since 2010 to date, indicating the –

- (a) number thereof approved and licences issued, and
- (b) names of the licencees therefor, indicating the base of operation, in each case.

Mr Yeung Sik Yuen: Mr Speaker, Sir, I am informed by the Tourism Authority that no application for the operation of jet ski was received during the period 2010 to 2012. However, four applications have been received in 2013. So far no licence has been issued.

Concerning Sea Kart, which refers to a pleasure craft activity, six applications have been received during the period 2010 to 2013. So far seven licences have been issued to only one promoter, namely, Fun Adventure Ltd, with Black River as base of operation.

Mr Ramano: M. le président, les permis de jet ski furent suspendus à un moment donné pour des raisons de sécurité. Est-ce que je peux savoir de l'honorable ministre les raisons pour lesquelles ces permis ont été rétablis et les mesures additionnelles qui ont été prises ?

Mr Yeung Sik Yuen: Mr Speaker, Sir, I said no licence has been issued so far.

Mr Ramano: M. le président, je souhaite quand même savoir de l'honorable ministre le nombre de permis ou de *letters of intent* qui ont été émis aux noms de deux compagnies, *Yenba Enterprise Co. Ltd and Sportcraft Enterprise Ltd*?

Mr Yeung Sik Yuen: Yes, I can see the Yenba Enterprise for Sea Kart, Mr Speaker, Sir. And the second one is which name?

Mr Ramano: *La question c'est jet ski and Sea Kart.*

Mr Yeung Sik Yuen: It is Sea Kart; it is not the same activity. Yenba is for Sea Kart.

Mr Speaker: Hon. Bodha!

Mr Bodha: Can I ask the hon. Minister whether he can enlighten the House as to the difference between the jet ski and a Sea Kart?

Mr Yeung Sik Yuen: Mr Speaker, Sir, it is not the same activity. Jet ski is like a motorcycle on water and Sea Kart is a pleasure craft with an engine.

Mr Bodha: May I ask the hon. Minister, whether, in fact, the Sea Kart is an imitation of the jet ski, because the jet ski has been banned by Cabinet for the last 10 years and whether the Sea Kart is not a stratagem to allow people to bring jet skis in Mauritius?

Mr Yeung Sik Yuen: Mr Speaker, Sir, the jet ski was not banned by Cabinet. The information is wrong,

Mr Speaker: Hon Lesjongard!

Mr Lesjongard: Thank you, Mr Speaker, Sir. May I ask the hon. Minister with regard to the Sea Kart operating in the western part of the island? I heard him mentioning Rivière Noire. Can we know who is the promoter and on what basis was this licence awarded to him?

Mr Yeung Sik Yuen: The promoter is Fun Adventure Ltd.

Mr Speaker: Hon. Soodhun!

Mr Soodhun: Can the hon. Minister inform the House whether there has been....

(Interruptions)

Mr Speaker: Could you listen to the question? Put your question hon. Soodhun!

Mr Soodhun: Can the hon. Minister inform the House whether there has been any application for the jet ski as he just mentioned in the North by the company North West Fun Ltd for Trou aux Biches?

(Interruptions)

Mr Yeung Sik Yuen: Yes, Mr Speaker, Sir, the company has applied for the activity of jet ski.

Mr Speaker: Yes, hon. Ganoo!

Mr Ganoo: Can I ask the hon. Minister whether subsequent to the granting of the licences to the promoter, he has received any complaints or protests from other quarters concerning the conceptualisation and paternity of the Sea Kart projects?

Mr Yeung Sik Yuen: Not at all, Mr Speaker, Sir.

Mr Speaker: Hon. Ramano!

Mr Ramano: M. le président, permettez-moi de revenir avec les compagnies Yenba Enterprise Co. Ltd. et la compagnie Sportsraft Enterprise Ltd. M. le président, il y a de drôle de coïncidence. En septembre 2013...

Mr Speaker: Non, il faut poser les questions.

Mr Ramano: Je dois donner le renseignement.

(Interruptions)

Mr Speaker: Don't be long!

Mr Ramano: En septembre 2013, il y a eu deux transferts d'actions de 25% et ces 25% semblent être le tarif, M. le président, et cela coïncide étrangement avec les missions du *letter of intent*. Malgré la réponse du ministre, selon les renseignements à ma disposition, la compagnie Sportscraft Enterprise Ltd. a eu huit permis de jet ski à Flic en Flac et à Pointe Jérôme le Yenba Enterprise Co. Ltd a eu huit permis de jet ski et six *Sea Kart* rien que pour la compagnie Yenba Enterprise Co. Ltd. Est-ce que le ministre peut confirmer l'information et donner aussi les noms des actionnaires de ces compagnies?

Mr Yeung Sik Yuen: Well, Mr Speaker, Sir, I think the hon. Member is confusing with Sea Kart and jet ski, but let me give him some details. Yenba Enterprise Co. Ltd. has applied for the activity Sea Kart and according to the information that I have Sportscraft Enterprises Ltd has applied for the activity of jet ski.

Mr Bodha: Can I know from the hon. Minister at what speed, the highest speed the Sea Kart....

(Interruptions)

Mr Speaker: I am sorry!

(Interruptions)

I am on my feet! I have said, we are not here to quarrel on definition of Sea Kart and I don't know myself what it is. No, I don't allow this question. Hon. Ramano, that is not fair! The dictionary is there for you to consult.

(Interruptions)

No cross-talking!

Mr Ramano: M. le président, il y a eu des allégations de malversation au niveau de la *Tourism Authority*; il y a eu des cas qui ont été référés au niveau de l'ICAC. En ce qui concerne le transfert d'actions, à titre de coïncidence, ce transfert a été fait au nom d'une personne Melissa Michel Yolande Muzet. La question que je pose est: est-ce que le ministre est d'accord pour

l'institution d'une enquête pour s'assurer que le transfert d'actions n'a rien à faire avec son conseiller spécial en l'occurrence, Monsieur Vincent Seetaram?

Mr Yeung Sik Yuen: Mr Speaker, Sir, I am not aware of this, but if the hon. Member...

(Interruptions)

Mr Speaker: Let us listen to the answer!

Mr Yeung Sik Yuen: If the hon. Member has a case, I would recommend him to go to ICAC.

Mr Speaker: Last question, hon. Lesjongard!

Mr Lesjongard: Thank you, Mr Speaker, Sir, since the hon. Minister is saying...

(Interruptions)

Mr Speaker: Silence now!

Mr Lesjongard: Since the hon. Minister is saying that we are being confused with regard to the definition of jet ski and Sea Kart, will he table to this House the specifications related which are used at the Tourism Authority before granting a licence with regard to jet ski and Sea Kart?

Mr Yeung Sik Yuen: Jet ski is on the internet and the Sea Kart I will table it.

(Interruptions)

Mr Speaker: Last question, hon. Uteem!

Mr Uteem: Thank you, Mr Speaker, Sir...

(Interruptions)

Mr Speaker: I say silence!

Mr Uteem: Being given the safety issue...

(Interruptions)

Mr Speaker: Hon. Soodhun! Don't disturb your own colleague, please!

Mr Uteem: Being given the safety issue raised by using jet ski and Sea Kart in the sea, may I know from the hon. Minister what measures and precautions are being taken by his Ministry to ensure that there is proper safety in the operation of these vehicles?

Mr Yeung Sik Yuen: Mr Speaker, Sir, many authorities have been working together. For example, we have the National Coast Guard, the Ministry of Fisheries and my Ministry. There is also one security boat following that.

Mr Speaker: I suspend for one hour and fifteen minutes.

At 1.00 p.m. the sitting was suspended.

On resuming at 2.32 p.m. with the Deputy Speaker in the Chair.

The Deputy Speaker: Hon. Members, the Table has been advised that PQ No. B/959 has been withdrawn. Hon. Mrs Ribot!

NINE-YEAR SCHOOLING – TRANSITION MECHANISM

(No. B/957) Mrs L. Ribot (Third Member for Stanley & Rose Hill) asked the Minister of Education and Human Resources whether, in regard to the Nine-Year Schooling, he will give details of the mechanism put in place for the transition of the students from Year 6 to Year 7.

Dr. Bunwaree: Mr Deputy Speaker, Sir, in my reply to the PNQ of 16 November 2013 regarding the phasing out of the CPE examinations and the announcement made in the 2014 Budget Speech about the Nine-Year Schooling, I elaborated on the policy objectives underlying this reform measure and stressed that our aim is to build up a Nine-Year Schooling system which provides for the holistic development of our children and renders their learning experience more enjoyable and enriching by providing them the opportunities to evolve, develop and learn as a homogeneous cohort during the nine-year basic education cycle.

Mr Deputy Speaker, Sir, at a press conference I held on 18 November 2013, I again pointed out that the new system will have the following stages –

- (i) Childhood care and education – 3 and 4 years
- (ii) Basic schooling – 5 to 14 years, and
- (iii) Post nine-year schooling – 14 to 18 years

Presently, Mr Deputy Speaker, Sir, basic schooling comprises only six years, that is, at primary level.

At the end of the sixth year in the proposed new system, the pupils will still be assessed by way of an examination. It will not be a competitive examination as the CPE, but it will assess the general and range competencies acquired after six years of basic schooling which have been enjoyable and enriching for the child.

As I have explained, elsewhere, the new system will require a comprehensive school mapping exercise with well-defined and objective criteria, (e.g. proximity of school to the residence of the pupil, parental choice, etc.). Transparency will be ensured for acceptability amongst stakeholders, mainly parents. A team is working on the school mapping exercise which involves examination of the geographical distribution of school, the school population in a particular locality, and a number of other related parameters.

A mechanism is being worked out, Mr Deputy Speaker, Sir, by the High-Level Committee chaired by the Acting Senior Chief Executive of my Ministry, for the smooth transition of pupils at the end of Year 6 to Year 7. For this, options are being considered for formulation. The High-Level Committee is working in close collaboration with the team dealing with the mapping exercise.

The High-Level Committee has met three times and is pursuing its work. Once the *modus operandi* has been formulated, other members, including representatives of trade unions, NGOs and other organisations which can contribute, will be co-opted for finalisation. I also welcome, of course, all proposals, including those from Members of this House.

Once all the implications have been studied and consultations held with all stakeholders, Mr Deputy Speaker, Sir, and the *modus operandi* agreed upon, the House will be informed accordingly.

Mrs Ribot: Mr Deputy Speaker, Sir, I would like to know from the hon. Minister where the Years 7 to 9 will take place in that reform plan. Will it be in the actual primary school, or will it be in the secondary colleges? The second part of my question is: will all secondary colleges admit Year 7 students?

Dr. Bunwaree: With regard to the first part of the question, I think I have already mentioned - if not here, elsewhere - that the nine-year basic schooling will include six years, as it is, in a primary schooling environment, and three years of secondary education in a secondary school. But it will be the continuation of what is happening in the primary, of course, with the opening of the curriculum base; almost all schools. This is the mapping exercise being carried out. At the end of this mapping exercise, we will be able to know. Even now, without the new system - as it is and as it has been in the past few years - private colleges are being looked into. Some are being closed down, because they are not satisfying the criteria. So, all this will be looked into and be taken care of. My aim is not to allow schools doing well to close down.

Mrs Ribot: Mr Deputy Speaker, Sir, I heard the hon. Minister say that almost all schools will admit students at secondary level. My question is: will the existing national colleges be admitting students on a regional basis?

Dr. Bunwaree: Yes. I have already answered the comment that the hon. Member just made. I said that, presently, there are some schools being closed down; mostly private schools. Regarding the national colleges, I cannot enter into the details now. In fact, this is the work that is being done by the High-Level Committee. I will ask hon. Members to be patient. But we are going fairly quickly on that. I believe, before the end of the first term next year, everything would be sorted out.

Mrs Labelle: The hon. Minister has announced, on several occasions, that the nine-year schooling will be introduced in 2015. Can he confirm that the CPE cohort of 2014 will be the first cohort of the nine-year schooling; it will be the first group of students who will face this transition into nine-year schooling? I am talking about the 2014 CPE cohort. Next year is 2014. So, those kids who will be taking the CPE Examinations in October 2014 will be the first group who will have to go into this transition of nine-year schooling.

Dr. Bunwaree: We will see how the discussions and consultations evolve, and at what speed they progress. What I have said in the House is that in 2014, next year, we will have the CPE Examinations which will be the last, if the hon. Members have understood me well. Now, how to start and where to start, in 2015, it will be the last. This is the answer I gave to the hon. Leader of the Opposition. If we can start earlier, we will start earlier.

Mr Uteem: Mr Deputy Speaker, Sir, the hon. Minister has mentioned that there would be a new school; 14 to 18. May I know from the hon. Minister, in order to get admission to that post nine-year schooling, what would be the criteria used, and whether we will still have the old formula of star schools?

Dr. Bunwaree: We will certainly not have the formula of star schools. This is what we are trying to do away with. After the ninth year, there will be the equivalent of Form IV presently. So, there will be a new system. In fact, that is why I don't want to go into the details, because the High-Level Committee is working on that. But, in our mind, the choice of colleges will come at that age, not at the age of 11 years, as it is now.

Mrs Ribot: Mr Deputy Speaker, Sir, maybe I am going to repeat myself. The only concern of Mauritian parents nowadays is how their child will be admitted in a secondary school. Any plan of reform is going to rest on that matter. My question is a very straightforward one. Are, for example, Queen Elizabeth College and the Royal Colleges going to admit Year 7 students in 2015?

Dr. Bunwaree: I have told the House that we will have to wait for the outcome of this High-Level Committee, which is working on that. It is very clear. I also mentioned, I think, in one of the replies I gave to the hon. Leader of the Opposition to a PNQ, that our aim is that, at the end of the ninth year, when those students will have to go to what we can call High School or Upper Secondary, then, there will be the possibility for children to choose. But that choice will not take place at the age of 11 years.

Mrs Dookun-Luchoomun: Mr Deputy Speaker, Sir, I heard the hon. Minister saying that if ever they come up with the scheme or the proposal earlier, he will start off the new scheme earlier. Wouldn't the hon. Minister think that we should be showing more consideration to the students starting the year next year, so that they may know which scheme they are going to adopt, and how they are going to be admitted in the next year? So, instead of saying that we can change the system in the year if we come up with the result earlier, I think we should have a more planned approach, and let students know well before what scheme will apply to them.

Dr. Bunwaree: This is why we have given the date of 2015. But if it has to come earlier and children are not prepared, of course, we are not going to do that. That explains the time limit we have given.

Mrs Labelle: Mr Deputy Speaker, Sir, parents and pupils are in the dark, because they do not know - particularly those who are taking the examinations this year - how they are going to continue their studies after the present Year 6. The children will not stay in their actual schools. They will have to go somewhere else. Where will these kids go and how will these kids go, is the main concern of the parents. A committee is working. I don't think I have heard the Minister say how the kids are going to do the seventh year and when. Will it be as from 2015, as being stated on several occasions? Up to now, we don't know whether it will be as from 2015.

Dr. Bunwaree: It is clear. If I could reply to the hon. Member what is going to happen exactly, there would have been no need for a committee to work on that. The committee is working on that - and I have said in my reply - and they are studying the options; there are two or three options. We have already mentioned that it is not going to take place in primary schools, but that those three years will take place in secondary schools. So, we have to wait for this. I have also mentioned just now - unless the hon. Member has not listened carefully to what I have said - that I am expecting, by the end of the first term, the Committee would have done its work, and then we are going to open it to other stakeholders for discussion.

Mrs Ribot: Mr Deputy Speaker, Sir, must we understand from the hon. Minister that the announcement of the reform has been done well before any decision has been taken? Everything has been announced in public to parents and students and now we learn that we have to wait for the outcome of the High-Level Committee to know what is going to happen to those students who are already in Standard V and who are going to take the CPE examinations next year, and we cannot get any answer to our question! I would like to know from the hon. Minister whether he believes that this is the proper procedure.

Dr. Bunwaree: Mr Deputy Speaker, Sir, I have had the opportunity to inform this House that it has been discussed and ventilated before the Budget at the level of the *Assises de l'Éducation*. It is most unfortunate that some people - I am not talking of hon. Members; what I hear here and there - who seem to be criticising are those people who, despite having been invited, have not come forward at the level of these *Assises*. There are only a few of them.

This has been discussed at the level of the *Assises* and it is after that, that we have taken the matter at the level of the Budget proposals. Now that Cabinet has looked into it and it has been decided, so we are working accordingly.

Mrs Dookun-Luchoomun: Mr Deputy Speaker, Sir, I heard the Minister say that it is better to push the competition to the ninth year rather than to have it at the sixth year. Can I ask the hon. Minister what assurance he can give to the House that the examination and the admission to seventh class would not be based on competition. Since in one zone – I am just taking one zone in Curepipe, for example - you have got the Royal College Curepipe, the St. Joseph College, the Presidency College, the Mauritius College, the Curepipe College, the Imperial College, on which basis would a student in Standard V, today, know in which one of these colleges he will be admitted to, since it has been mentioned that there would be no competition at all?

Dr. Bunwaree: Mr Deputy Speaker, Sir, I would not like to be nasty, but I have never mentioned that the competition is going to be postponed. I never mentioned that! I said it is only when the child reaches the post ninth year that the child will be able to choose. But there are so many ways of choosing. In fact, we have already mentioned and I think even the Budget has made the proposal of specialising schools. So, there are many things that are going to come forward afterwards. I will ask hon. Members to be patient. I quite agree with them that we should not do things in such a way that we create some tension in the minds of parents or children. I am following that very closely. We have started explaining, but as soon as I get the information from this High-Level Committee, of course, the ideas that come out there and the proposals that will be made will be ventilated fully.

Mrs Labelle: Mr Deputy Speaker, Sir, the hon. Minister has mentioned that the matter has been discussed before being announced. May this House be made aware of what has been discussed and what has been the basic conclusion? It has been discussed and I think that after discussions some conclusions have been reached, particularly regarding how these kids will do their seventh year. So, may we be enlightened on some basic conclusions that the discussions have come to?

Dr. Bunwaree: Yes. In fact, Mr Deputy Speaker, Sir, this also I have already said to this House and outside. It is the trend worldwide. In fact, it will certainly appear as one of the parametres that are going to be set down by the UN in its post 2015 EFA goals. This is going to come! It is for all countries in the world. All countries are following the same trend. I would like to correct one misconception or misunderstanding in that when we speak of nine-year schooling,

we are talking of the basic schooling. I don't want to reply to those people who seem to be airing that it is for nine years only and the students are going to go to school and after that, *fini, terminé! Ce n'est pas du tout cela*. It is the basic schooling of six years primary which exists today that is going to be transformed into the nine-year basic schooling. After those nine years, there will be so many avenues for these children.

In fact, there will be in our plan, polytechnics for those who are in the pre-voc system today. The pre-voc system is going to be done away with. So, there is a whole panoply of possibilities that is going to lie ahead of us. But we cannot, in the lapse of time that the hon. Members give me, in a few minutes here, be able to give them all the details. As and when ...

(Interruptions)

The House will be informed and the country also.

Dr. S. Boolell: Mr Deputy Speaker, Sir, I would like to ask the hon. Minister for the benefit of the parents, shall years 7, 8 and 9 be coeducational?

Dr. Bunwaree: Definitely, yes! I have said that! It is the continuation of what is happening in primary.

Mr Baloomoody: If I may ask the hon. Minister a simple question following what hon. Mrs Dookun-Luchoomun has said, may we know what will be the criteria to move the students from the primary schools to the secondary schools and how the students will be selected to each of the secondary school like, in the example given, at Curepipe? It is a simple question!

Dr. Bunwaree: There is no question of selection, it is going to be an automatic continuation; but then, how we will do it, ...

(Interruptions)

...this is well, the *modus operandi* I mentioned and we have to wait. We have two or three options.

The Deputy Speaker: Last question, hon. Mrs Ribot!

Mrs Ribot: Thank you, Mr Deputy Speaker, Sir. I am going to repeat the same question. The question is very simple: if I have six....

(Interruptions)

The Deputy Speaker: Does the hon. Member expect a different reply this time?

(Interruptions)

Mrs Ribot: Let us be optimistic! Okay!

(Interruptions)

If we have six colleges in a region, we are not going to call it admission, maybe. We are not going to call it selection, maybe. Let us call it transfer...

(Interruptions)

Continuation! What are the criteria that are going to define which child from a primary school is going to “continue” his studies in which of these six secondary schools in that region? I fear my question is very simple!

Dr. Bunwaree: In my reply, I have said there is a question of proximity of school to the residence, there is parental choice...

(Interruptions)

There is the sixth standard examination. All these are going to be within the criteria.

(Interruptions)

The Deputy Speaker: Next question, hon. Ameer Meea!

(Interruptions)

Order, please!

ROCHE BOIS – MARKET FAIR

(No. B/958) Mr A. Ameer Meea (First Member for Port Louis Maritime & Port Louis East) asked the Vice-Prime Minister, Minister of Public Infrastructure, National Development Unit, Land Transport and Shipping whether, in regard to the construction of a new market fair in Roche Bois, he will state –

- (a) the total cost thereof, and
- (b) when same will be vested in the Municipal Council of Port Louis.

The Minister of Environment and Sustainable Development (Mr D. Virahsawmy): Mr Deputy Speaker, Sir, the all inclusive cost for the construction of a new market fair in Roche Bois is Rs26,472,266...

(Interruptions)

The Deputy Speaker: Hon. Minister Bunwaree, your question is over and your answer is over. Allow the hon. Minister to answer his question!

(Interruptions)

Mr Virahsawmy: With regard to part (b) of the question...

(Interruptions)

I have to inform that after completion of the project, the necessary formalities will be fulfilled...

(Interruptions)

The Deputy Speaker: Hon. Mrs Labelle, please!

Mr Virahsawmy: ... in consultation with the Ministry of Local Government and Outer Islands for the handing over of infrastructure to the Municipal Council of Port Louis for operation and maintenance.

Mr Ameer Meea: I am so sorry, Mr Deputy Speaker, Sir, I did not hear the second part of the answer! Could the hon. Minister please repeat it?

The Deputy Speaker: The hon. Member did not get the second part of the answer!

Mr Virahsawmy: Sorry, he did not hear what?

(Interruptions)

The Deputy Speaker: He could not hear the second part of your answer!

Mr Virahsawmy: But I have said what I had to say! Nobody was listening!

(Interruptions)

Mr Ameer Meea: Mr Deputy Speaker, Sir, I asked the hon. Minister! I was listening but I could not hear what he said!

(Interruptions)

The Deputy Speaker: Hon. Minister, there was some noise. I concede that!

Mr Ameer Meea: I am just asking some common sense!

The Deputy Speaker: Hon. Minister, if you could be kind enough to repeat the second part of your answer so that the hon. Member could follow up with supplementary questions!

Mr Virahsawmy: Mr Deputy Speaker, Sir, with regard to part (b) of the question, I have to inform that after completion of the project the necessary formalities will be fulfilled in consultation with the Ministry of Local Government and Outer Islands for the handing over of the infrastructure to the Municipal Council of Port Louis for operation and maintenance.

**WOLVERHAMPTON UNIVERSITY, MAURITIUS BRANCH CAMPUS -
OWNERS & MANAGERS**

(No. B/959) Mr S. Obeegadoo (Third Member for Curepipe & Midlands) asked the Minister of Tertiary Education, Science, Research and Technology whether, in regard to the Wolverhampton University, Mauritius Branch Campus, he will state if his Ministry has ascertained -

- (a) the identity of the owners and managers thereof, and
- (b) if it is complying with the conditions set down by the Tertiary Education Commission, with a view to safeguarding the interests of the students enrolled thereat.

(Withdrawn)

CAMP LEVIEUX HOUSING ESTATES - WATER SUPPLY

(No. B/960) Mr D. Nagalingum (Second Member for Stanley & Rose Hill) asked the Minister of Housing and Lands whether, in regard to the Camp Levieux Housing Estates, he will, for the benefit of the House, obtain from the National Housing Development Company Limited, information as to if it has been informed of the irregular water supply thereat and, if so, indicate -

- (a) the measures, if any, taken in relation thereto, and
- (b) if all the water pumps thereat are operational and, if not, why not.

(Withdrawn)

MAURITIUS NATIONAL IDENTITY CARD REGULATIONS 2013 - PUBLICATION

(No. B/961) **Mr P. Jugnauth (First Member for Quartier Militaire & Moka)** asked the Minister of Information and Communication Technology whether, in regard to the Mauritius National Identity Card (particulars in register) Regulations 2013, with retrospective effect as from 16 September 2013, he will state the reasons for the publication thereof on 3 October 2013.

Mr Pillay Chedumbrum: Mr Deputy Speaker, Sir, section 3(1) of the National Identity Card Act provides that the Registrar of Civil Status shall keep a register in which shall be recorded particulars of the identity of every citizen of Mauritius.

Since the coming into operation of the National Identity Card Act in 1985 and until October 2013, no regulations have been made under section 3(2)(b) of the Act to provide for the register to be kept by the Registrar of Civil Status to contain particulars other than those specified in section 3(2)(a), that is, the sex and names of every citizen of Mauritius.

Mr Deputy Speaker, Sir, in the context of the implementation of the MNIS Project, amendments, which came into operation on 16 September 2013, were made through the Finance (Miscellaneous Provisions) (No. 2) Act 2009 for the register kept by the Registrar of Civil Status to be in electronic or such other form.

Accordingly, regulations, namely the National Identity Card (Particulars in Register) 2013, were made on 3 October 2013 (with effect from 16 September 2013) to provide a legal basis for biometric and other related information collected in the course of an application to be stored in electronic format in that register (known as the Mauritian National Identity Card (MNIC) database).

Mr Deputy Speaker, Sir, section 22 of the Interpretation and General Clauses Act makes provision for that. There is no legal impediment to making the said regulations with retrospective effect, and those provisions are contained in section 22 of the Interpretation and General Clauses Act.

Mr Jugnauth: May I know who approved this regulation?

Mr Pillay Chedumbrum: The hon. Member should know better that it is the Minister who makes regulations. So, it is the Minister who has made this regulation and this has been done by the Prime Minister's Office.

Mr Jugnauth: May I know the date and time that this regulation was made?

Mr Pillay Chedumbrum: Mr Deputy Speaker, Sir, the hon. Member should know better. That regulation, he knows very well when it was made, because the question itself says: “state the reasons for the publication thereof on 03 October”.

Ms Deerpalsing: On a point of order, Mr Deputy Speaker, Sir, I would like to know whether the hon. Member has declared his interest in this question. We all know that he has a case in Court on this.

The Deputy Speaker: The question pertains to the reasons for the publication, so, I think there is no problem whatsoever.

(Interruptions)

Yes, the hon. Member has got a question?

Mr Jugnauth: I was...

(Interruptions)

Reste trankil do!

I also asked about the time. The date, the hon. Minister mentioned, but the time?

Mr Pillay Chedumbrum: Please, can you repeat the question?

The Deputy Speaker: Can you repeat the question, hon. Jugnauth?

Mr Jugnauth: I asked about the date which the hon. Minister answered to be 03 October and the time.

Mr Pillay Chedumbrum: Mr Deputy Speaker, Sir, I don't know the exact time when it was made, but we have given the date.

Mr Jugnauth: Can the hon. Minister circulate the approved copy of that regulation?

Mr Pillay Chedumbrum: Mr Deputy Speaker, Sir, the hon. Member lodged a case before Court and the application, the regulation, copy of same was filed at the time when the case was before the Judge in Chambers.

Mr Jugnauth: Mr Deputy Speaker, Sir, we are not talking about case before Court. I don't know which case the hon. Member is referring to.

(Interruptions)

I am referring to the question which has been put today before this House. So, I am asking about whether the hon. Minister is willing - if he is not willing he can say that: "I am not going to table" - to table a copy of that regulation.

Mr Pillay Chedumbrum: There is a case which is actually pending before Court. The hon. Member knows why he is putting that question. This is not decent at all, but still we have given him enough information for what he has asked for.

Mr Jugnauth: May I know if those information that have been publicised in the regulation, whether these will be kept, that is, amongst others, the biometric information and the fingerprints, whether they will be kept in the central population database?

Mr Pillay Chedumbrum: For, I don't know, how many times this has been answered, yes.

Mr Jugnauth: May I know if access can be granted to either any Ministry or any other Government department to that database?

Mr Pillay Chedumbrum: Mr Deputy Speaker, Sir, when somebody has served the post of Minister, he knows well...

(Interruptions)

Let me answer the question! You put a question, let me answer the question!

(Interruptions)

The Government Online Centre was created in the year 2002 where Government keeps all information there and the Government Online Centre is a building which is secured with sophisticated means to protect all Government ...

(Interruptions)

The Deputy Speaker: Hon. Assirvaden and hon. Ms Deerpalsing, please remain silent! Allow the hon. Minister to answer the question.

Mr Pillay Chedumbrum: Now, after having said that...

(Interruptions)

The Deputy Speaker: You are interrupting the business of the House, hon. Ms Deerpalsing!

Mr Pillay Chedumbrum: Now, after having said that, Mr Deputy Speaker, Sir, let me refresh the memory of the hon. Member.

The Deputy Speaker: I think there is no need to refresh the memory. If the hon. Minister has answered the question, we put a full stop to that.

Mr Pillay Chedumbrum: If the hon. Member is happy with that, alright, I am happy. If he wants more, he can...

The Deputy Speaker: Hon. Mrs Dookun-Luchoomun!

Mrs Dookun-Luchoomun: May I ask the hon. Minister whether he would confirm to the House that the regulation was made on the evening of 3 October 2013?

Mr Pillay Chedumbrum: Mr Deputy Speaker, Sir, when you present a piece of legislation, at any point in time, the Minister can come with regulation for that. Regulation is made as and when it is required. We do not make regulation only for the sake of making regulation. When time comes for the regulation, then we have to make it.

Now, I would like to draw the attention of the House to one particular fact, Mr Deputy Speaker, Sir. When there was launching of the new ID card, which was on 1 October, I am not here to do the homework of these people. They ought to know better.

(Interruptions)

Of the hon. Gentleman.

(Interruptions)

I am not here to do the homework of the hon. Gentleman. But, Mr Deputy Speaker, Sir, they know very well that there was a pilot phase which started. During that pilot phase, we cannot make that regulation. We have to let that period come down, then, we come with regulation, because why do we make regulation? Let me enlighten them!

(Interruptions)

The Deputy Speaker: Order!

Mr Pillay Chedumbrum: We make regulation for ...

(Interruptions)

The Deputy Speaker: Remain silent, please!

Mr Pillay Chedumbrum: We make regulation, Mr Deputy Speaker, Sir, with a view to soften the legislation which has been made, so as to make more applicable to see where there are shortcomings to adjust accordingly. This is the time which was appropriate for us to do it and we have done it. Now, if this is really an issue, even if we made it at a late hour, Mr Deputy Speaker, Sir, the case was before the Judge in Chambers, the hon. Member lodged the case wherein he applied for an application restraining and prohibiting Government from proceeding further with the application. The case was before the Judge in Chambers. This was the appropriate forum where he could have canvassed the issue if, in fact, it was an issue. He chose not to be there and now he comes before this instance...

(Interruptions)

The Deputy Speaker: Has the hon. Member got another question?

Mr Jugnauth: I heard the hon. Minister saying that we should have done ...

The Deputy Speaker: Give me one minute, please!

Mr Jugnauth: Yes.

The Deputy Speaker: The hon. Minister should not refer to the case before the Judge because the question is very specific; it refers to “the reasons for the publication”.

Mr Jugnauth: I heard the Minister saying that he is supposed to be doing his homework. Let's see whether he has done his homework.

(Interruptions)

The Deputy Speaker: There is no need to provoke! The provocation was from his side and your side as well. So, I am just appealing to each party to refrain from being provocative.

Mr Jugnauth: May I ask the hon. Minister were it not for the regulation which has been passed on 3 October, that is, at the eleventh hour, the collection of the biometric information and

the fingerprints were, therefore, illegal on the 01, 02 and 03 – even during the day – of October 2013?

Mr Pillay Chedumbrum: Mr Deputy Speaker, Sir, I have referred the hon. Member to section 22. Go and read the Interpretation and General Clauses Act which makes provision for that, Mr Deputy Speaker, Sir.

The Deputy Speaker: Next question! Hon. Jugnauth!

TERTIARY EDUCATION COMMISSION - DIRECTOR – POST

(No. B/962) **Mr P. Jugnauth (First Member for Quartier Militaire & Moka)** asked the Minister of Tertiary Education, Science, Research and Technology whether, in regard to the post of Director of the Tertiary Education Commission, he will, for the benefit of the House, obtain from the Commission, information as to when same was advertised, indicating the -

- (a) eligibility criteria therefor;
- (b) names of the -
 - (i) applicants therefor, and
 - (ii) selected candidate
- (c) date of appointment thereof, and
- (d) salary and other benefits drawn.

Dr. Jeetah: Mr Deputy Speaker...

(Interruptions)

The Deputy Speaker: I want silence in the House!

Dr. Jeetah: Mr Deputy Speaker, Sir, there is no post of Director of the Tertiary Education Commission; hence the question of advertising the post does not arise.

The Deputy Speaker: Yes, hon. Jugnauth!

Mr Jugnauth: May I know, therefore, who has been recently recruited at the Head of TEC?

Dr. Jeetah: Now, this is a different matter, Mr Deputy Speaker, Sir. There is a post of Executive Director as stipulated by section 7(2) of the Tertiary Education Commission Act. The Executive Director is appointed by the Board with the approval of the Minister and it is Professor A. K. Bakhshi.

Mr Jugnauth: May I know what was his last posting before he was appointed as Executive Director?

Dr. Jeetah: I can table a copy of the Curriculum Vitae of Professor Bakhshi where you have all the information.

(Interruptions)

I know, Mr Deputy Speaker, Sir, that he is a full-fledged Professor of Delhi University.

Mr Jugnauth: May I ask whether TEC or the Minister has taken the liberty of asking for any reference from Delhi University with regard to this gentleman?

Dr. Jeetah: Mr Deputy Speaker, Sir, I must probably inform the House that there is an independent panel that was set up by the Tertiary Education Commission and it comprises of the following members, and allow me, Mr Deputy Speaker, Sir, to mention the people who are involved. It was Mr Y. Abdulatiff, former Permanent Secretary as Chairperson; Mr R. Yat Sin, former Head of Civil Service and former Chairperson of the Public Service Commission; Mr J. Ramkissoon, Chairperson of the Food and Agricultural Research Council; Dr. A. Azad Jeetun, former Director of the Mauritius Employees Federation and Member of Governing Body of ILO and Mr K. Gobin, Human Resource Consultant. I, therefore, believe that these members, who are well-versed into recruitment procedures, should have done the needful independent of my Ministry.

Mr Jugnauth: My question was simple. TEC is recruiting that gentleman. He was last posted at University of Delhi. So, I think it was quite normal for TEC to request the gentleman to submit a testimony from University of Delhi. I am asking the hon. Minister whether he is aware that testimony has been given from University of Delhi.

Dr. Jeetah: Mr Deputy Speaker, Sir, I did mention that this is an independent panel and my Ministry is not interfering in any way whatsoever with regard to recruitment, at least, as far as this job is concerned.

Mr Jugnauth: Is the hon. Minister aware that this gentleman is subject to disciplinary proceedings at the University of Delhi?

Dr. Jeetah: Yes, I am now aware that there is a case which dates back to 2010 where this Professor had a certain amount of money, I think, it is about Rs40,000 that he had to refund. He had sent his request to the authorities and it took that University about two years or so to do so. I am aware of the case, Mr Deputy Speaker, Sir, and I can provide as much information as the hon. Member would require.

(Interruptions)

The Deputy Speaker: Hon. Uteem!

Mr Uteem: Thank you, Mr Deputy Speaker, Sir. May I know from the hon. Minister, he mentioned, himself, that the Board appoints the Executive Director after consultation with the Ministry. So, when this name was proposed to his Ministry, did anyone at the level of the Ministry carry out any due diligence on that individual before confirming his appointment?

Dr. Jeetah: Mr Deputy Speaker, Sir, I recall when this came to me, I suggested that we appoint the person subject to a quarterly review to assess his performance, but then we do not get into the recruitment procedure otherwise the hon. Member would have said that the hon. Minister is poking his nose into his appointment.

The Deputy Speaker: Hon. Lesjongard!

Mr Lesjongard: Thank you, Mr Deputy Speaker, Sir. I heard the hon. Minister say that he was aware that there was a case against that Executive Director. Mr Deputy Speaker, Sir, may I ask the hon. Minister, for unskilled jobs in our country we ask for all sorts of things from people like morality certificate; now for a post of Executive Director at the Tertiary Education Commission, does it mean that some sort of due diligence is not carried out before recruiting that person?

Dr. Jeetah: Mr Deputy Speaker, Sir, at the time when the interview was conducted, there was no such thing as the hon. Member is mentioning. When the appointment was made it is after...

(Interruptions)

Non, non, please let me give the dates! This came to me on 12 July of this year. He was sent a letter, after that we had already given the approval. This is something that we ought to take note of.

The Deputy Speaker: Hon. Jugnauth, you have got a supplementary question?

Mr Jugnauth: Yes, I again ask the hon. Minister...

The Deputy Speaker: Are you going to ask the same question?

Mr Jugnauth: No, it is a different question.

The Deputy Speaker: Please!

Mr Jugnauth: The hon. Minister mentioned about a case in 2010. Well, maybe he is not aware; I am referring to the Executive Council of the University of Delhi which took the decision this year to take disciplinary action against that same Mr A. K. B. So, how is it that he was last posted there and this is normal procedure that we ask for a testimony from that University so as to see what kind of person TEC is recruiting? Now, the hon. Minister is here to supervise and to see...

The Deputy Speaker: What is your question, hon. Jugnauth?

Mr Jugnauth: My question is: whether the hon. Minister has done the needful to see to it that when TEC is recruiting, at least, they are recruiting somebody whom we can have trust in for the running of this so important institution?

Dr. Jeetah: Mr Deputy Speaker, Sir, the very reason that we have an independent panel is so that the Ministry or the Minister does not interfere with the selection process and I have given the names of the persons who are involved in the recruitment process. Now, after they had actually looked into the CV and they had interviewed him, some other information came out. So, they have now sought further information and I understand that they are satisfied, but then they will take whatever decision that they deem fit at their end.

Mr Seeruttun: Mr Deputy Speaker, Sir, may we know from the benefits to be drawn by that Executive Director will those include also to cater for the membership fee to the Gymkhana Club?

The Deputy Speaker: Would you repeat your question, please?

Mr Seeruttun: As to the benefits to be drawn by that Executive Director, may we know whether that includes also the membership fee to be paid by TEC to the Gymkhana Club?

Dr. Jeetah: I am not aware, but I am willing to table all the benefits or whatever conditions that are attached to this position.

The Deputy Speaker: Hon. Ganoo!

Mr Ganoo: Does not the hon. Minister think that a member of the TEC Board should have been among the panellists and this would have avoided the problem that this side of the House is raising about the due diligence, the track record of the successful applicant? I mean, if a

Member of the Board was among the panellists, perhaps with his experience and wisdom, this could have been avoided.

Dr. Jeetah: That is a good suggestion, Mr Deputy Speaker, Sir, but then, once again, it is the Board which actually decided to choose these members, independent of my Ministry. So, in their wisdom, they took the decision.

Mr Baloomoody: Mr Deputy Speaker, Sir, now that we know that this gentleman has not disclosed to the panel who interviewed him, the fact that he was suspended and he had to appear before a disciplinary committee in Delhi, this is material and it is a fundamental nondisclosure by him. Can I know from the hon. Minister, now that he is the Minister concerned, responsible for TEC, what action or what advice he intends to give to the Board with regard to that gentleman?

Dr. Jeetah: Mr Deputy Speaker, Sir, I do not know whether he was suspended. I do not think that that is the case. There is no such case with regard to what the hon. Member is saying. He has not been suspended. I have not seen it in my file.

The Deputy Speaker: Hon. Mrs Hanoomanjee! Is it the same question?

Mrs Hanoomanjee: No. I wanted to ask something else. The hon. Minister said that there was an independent panel which was nominated by the Board. After the panel has given its recommendations, did not that go back to the Board for approval? And if it did, what was the role of the representative of his Ministry on the Board?

Dr. Jeetah: My concern, Mr Deputy Speaker, Sir, because of the difficulties that we had in the past, I wrote it in the file that I want to have a person whose work is assessed on a quarterly basis. And I did write it in the file, and I sent it back and now it is up to the Board to assess the work of this gentleman.

The Deputy Speaker: Hon Bodha!

Mr Bodha: Thank you, Mr Deputy Speaker, Sir. May I ask the hon. Minister now that he is aware of what has been told in the House, is he prepared to carry a due diligence exercise on the antecedents of this gentleman?

The Deputy Speaker: Hon. Bodha, you are repeating the question of hon. Baloomoody!

Mr Bodha: Can the hon. Minister give the undertaking to the House that he will do so?

The Deputy Speaker: The hon. Minister has already answered the question. Last question, hon. Jugnauth!

Mr Jugnauth: Does the hon. Minister find it normal that a panel has been set up to interview applicants for such an important post and that there is no representative of the academia on this panel? And secondly, whether the hon. Minister approved that kind of panel to sit down for the selection of such a gentleman?

Dr. Jeetah: Mr Deputy Speaker, Sir, he does not come to my Ministry. As was mentioned earlier on, we have taken all discretionary powers of the Minister with regard to TEC. They are independent. They didn't come to see me to set up their panel. And now with regard to having a member of the academia, if they have chosen somebody from Mauritius, then, somebody would have said that he is judge and party. So, they decide in their wisdom to get people who are independent of the Tertiary Education Sector in a way so that they can perform the work to their best ability.

The Deputy Speaker: Next question, hon. Dr. Sorefan!

PONT COLVILLE DEVERELL – ADDITIONAL BRIDGE - CONSTRUCTION

(No. B/963) **Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Vice-Prime Minister, Minister of Public Infrastructure, National Development Unit, Land Transport and Shipping whether, in regard to the Pont Colville Deverell, he will state where matters stand as to the construction of the additional bridge thereat by Sinohydro, indicating -

- (a) if works will be completed by the contractual date therefor;
- (b) the reasons for the non-levelling thereof with the old bridge, and
- (c) if the speed limit at the level thereof will be set at 110kms/hr after the completion thereof.

The Minister of Environment and Sustainable Development (Mr D. Virahsawmy): Mr Deputy Speaker Sir, the contractual completion date for the project was 31 October 2013. At that date, all major bridgeworks and road works were substantially completed. However, some

additional works which were beyond the initial scope have been completed on 30 November 2013.

As for part (b) of the question, I wish to inform that the new bridge is designed as a separate structure mainly for the following technical reasons -

- The new structure consists of steel girders and the old one of pre-stressed concrete elements and these have different deflection characteristics. The edge of the old bridge consists of a cantilever pedestrian footpath of 1.5 m wide which cannot take heavy traffic loads.
- It is important for security to prevent vehicles from shifting between the existing lanes and the new one along the bridge stretch.
- The same principle was applied when the southbound third lane was constructed in 1997. In both directions, the third lane is isolated from the initially built 2-lanes.
- As it is an independent structure, its level has been adjusted to make the access to the small residential area of Montagne Ory less steep. It is therefore about 250 mm higher than the old bridge.

Regarding part (c) of the question, I have to inform the House that based strictly on the geometric characteristics of that section of M1 and on highway engineering and traffic management and safety considerations, the speed limit there has been set at 90 kilometres per hour.

Mr Deputy Speaker, Sir, I am sure Members would have noted that this section of the road running on the new bridge and the third lane therefrom are operational as from Thursday 11 December 2013.

The Deputy Speaker: Hon. Dr. Sorefan!

Dr. Sorefan: Mr Deputy Speaker, Sir, regarding the speed limit, may we know why the speed limit is 90 km/h now with three lanes when it was 110 km/h for years with two lanes at that region?

Mr Virahsawmy: I have already mentioned, Mr Deputy Speaker, Sir, that for traffic management and safety considerations it has been brought to 90 km/h.

Dr. Sorefan: Mr Deputy Speaker, Sir, surely it is because of the design of the additional lane of the bridge, higher, that is why it has been reduced to 90 km/h, but when we have three lanes we should have faster traffic. But regarding the higher level of the bridge, is it not a wrong design from the contractor itself?

Mr Virahsawmy: No, I don't think it is a wrong design. In any case, it is not the contractor who makes the design, but consultants.

The Deputy Speaker: You have got a supplementary question!

Dr. Sorefan: Yes. May we know whether there has been any additional cost to the contract value?

Mr Virahsawmy: In fact, there has been no additional cost. The additional work which was done was the steel staircase which gives easier access for residents from Mountain Ory to get access to the motorway. This has been done at the request of the inhabitants of the region. And this was done free of cost from the contractor.

Dr. Sorefan: One last question, Mr Deputy Speaker, Sir. The original contract value was around Rs227 m., is the hon. Minister aware that there was a discount price from this company to the tune of Rs3 m.?

Mr Virahsawmy: M. le président, je ne suis pas dans le secret de l'honorable membre.

The Deputy Speaker: Next question, hon. Ms Anquetil!

DIABETES TYPE 1 & TYPE 2 - TREATMENT COST

(No. B/964) Ms S. Anquetil (Fourth Member for Vacoas & Floreal) asked the Minister of Health and Quality of Life whether, in regard to Diabetes Type 1 and Type 2, he will state, in each case, the -

- (a) number of Mauritian adults and children -
 - (i) presently living therewith, and
 - (ii) expected to live therewith by the year 2020, and
- (b) treatment cost per patient therefor.

Mr Bundhoo: Mr Deputy Speaker, Sir, with regard to part (a) (i) of the question, I wish to inform the House that according to the National Diabetes Register, there are presently 420 Type 1 diabetic patients, of whom 230 are below the age of 18. As regards Type 2 Diabetes, the estimated number of patients (adults and children) is 83,000.

Mr Deputy Speaker, Sir, I wish to point out that the Diabetes Register is updated regularly on the basis of new cases of diabetes and the number of deaths occurring among diabetic patients.

Mr Deputy Speaker, Sir, as regards part (a) (ii) of the question, I would like to point out that it is difficult to make accurate projections of the prevalence of Type 2 Diabetes by the year 2020. The prevalence will depend on factors such as ageing population, the impact of prevention and intervention programmes currently being carried out and other social determinants of health.

Furthermore, I wish to inform the House that my Ministry has, in October 2013, recruited an Epidemiologist, specialised in non-communicable diseases and he is currently working on the projections of the prevalence of diabetes in Mauritius. Given the complexity of this exercise, I am informed that it would take about 6 to 8 months to complete same.

Mr Deputy Speaker, Sir, concerning part (b) of the question, given the complex nature of diabetes, I am advised that it is difficult to estimate the cost of treatment thereof. However, my Ministry is in the process of implementing a Cost Centre Project in all health institutions. This will surely enable the Ministry to determine, in a certain manner, amongst others, the estimated cost of treating diabetes.

Ms Anquetil: Mr Deputy Speaker, Sir, being given that year after year the Type 2 diabetes figures seem to be getting worse, can the hon. Minister's strategy involve all parts of society to improve diets and promote healthier lifestyle?

Mr Bundhoo: I have to assure the hon. Member that we already have a plan of action for 2012 and 2013, i.e. nutrition plan of action for 2014/2018 which will be presented very soon, maybe, in January next year.

Mrs Labelle: Mr Deputy Speaker, Sir, the hon. Minister has just mentioned that the diabetes register is being updated regularly. Can we know what has been the increasing or decreasing trend in terms of percentage, let us say, for the past year or the past two years?

Mr Bundhoo: I did, in fact, Mr Deputy Speaker, Sir, reply - if I am not mistaken - the question from hon. Mrs Radegonde-Haines who put the question to me last time. I would kindly refer the hon. Member to the question that was asked in the Assembly on 30 October 2012, PQ No. B/621, where I replied extensively on that. I had to say, according to the register and the trend, there is a very, very slight decrease. But, as I said earlier to hon. Mrs Radegonde-Haines, and we all agree it is a fact that to every known registered case of diabetes - according to the World Health Organisation - there is one which is not registered.

Mrs Hanoomanjee: In view of the high prevalence of diabetes, can the hon. Minister say why recent recruitment which has been done regarding diabetologists, they have not been recruited as such, but they have been recruited as General Medical Officers? Can he say why?

Mr Bundhoo: I can assure the hon. Member, it is quite strange, in fact. It is only today I inquired and I think next week the interview - I think it is today.

(Interruptions)

No, no, it is; I have checked that. The advertisement has already been published by the Public Service Commission and it is up to them. I think by the end of this year or early next year, those who have applied for the post of *Diabetologue* would be recruited as soon as it is being carried out by the Public Service Commission. It has been done.

Dr. S. Boolell: Considering, Mr Deputy Speaker, Sir, the urgency of the diabetic situation in Mauritius, can the hon. Minister inform the House whether fast-track facilities of ophthalmological, renal and cardiac assessment are available to anybody who is registered as a diabetic, or do they have to wait for the goodwill of their doctors to have this type of assessment?

Mr Bundhoo: I have to say one thing, Mr Deputy Speaker, Sir. We do have the register which is going to be followed by the Diabetic Management System and that's precisely for people suffering from diabetes.

Ms Anquetil: Mr Deputy Speaker, Sir, can the hon. Minister state if Government intends to set up a Diabetic High Level Committee or High-Powered Committee to coordinate actions of public/private sectors and NGOs?

Mr Bundhoo: It is off memory. I think there is a Steering Committee under the chairmanship of the Director-General of the Health Services which is made up of the different stakeholders.

Furthermore, there is a special adviser attached to the Office of the Prime Minister, Dr. Owen, with regard to diabetes and other associated diseases related to diabetes.

Thirdly, there is an International Advisory Committee with regard to diabetes. I am sure I would take the suggestion and give it to the Director-General and to see if we can have a High-Powered Committee instead of a Steering Committee.

Mr Ganoo: Mr Deputy Speaker, Sir, doesn't the hon. Minister agree that one of the causes of the high prevalence of this disease is the unbridled consumption by Mauritians of white flour and has he taken any measure to combat this high consumption among Mauritians, and if so, is he satisfied with any results that he has taken recently?

Mr Bundhoo: It is precisely, Mr Deputy Speaker, Sir, because we were not satisfied with the excessive consumption of white flour that Government, in its wisdom, has reduced the price of brown flour.

Secondly, I have given instructions to all the institutions which fall under the Ministry of Health and Quality of Life to have brown bread served. Thirdly, even in the canteen here, where we eat in the National Assembly, I have made requests to the lady there, to ensure that we have brown bread and even the chapati, the farata brown bread. I can say one thing, I have also taken up the matter with hon. Dr. Bunwaree to see to it that we encourage brown bread in schools. So, I have to say here that from hon. Mrs Hanoomanjee to myself, we are going in the same direction with regard to promoting brown bread.

Dr. Sorefan: Mr Deputy Speaker, Sir, I am surprised that we are talking just curative spending a lot of money. May I know from the hon. Minister what steps are being taken at his Ministry, at the level of prevention? As we know prevention is better than cure. This country is spending a lot of money on curative. Can I ask the hon. Minister what steps are taken at educational level, at the preprimary and primary levels?

Mr Bundhoo: I have replied to this question earlier. I would very humbly request the hon. Member to refer to PQ No. B/621 on 30 October 2012.

Dr. S. Boolell: I would like to ask the hon. Minister what is the percentage of admissions in our hospital beds linked to diabetes directly or indirectly?

Mr Bundhoo: I would imagine it would be, at least, 22% to 25%, but I don't have the exact figure.

The Deputy Speaker: Last question, hon. Ms Anquetil!

Ms Anquetil: Mr Deputy Speaker, Sir, can the hon. Minister state if consideration will be given to review the quality and follow-up of diabetes treatment patients?

Mr Bundhoo: This is what I said earlier, that we are going to have the new plan of actions which will be submitted in January 2014 with regard to nutrition and diet and with regard to diabetics. We have made provision in the Budget with regard to the Diabetic Management System which goes in line with reviewing constantly the national framework for diabetics in Mauritius.

SOLAR WATER HEATER SCHEME PHASE III – AMOUNT DISBURSED

(No. B/965) Ms S. Anquetil (Fourth Member for Vacoas & Floreal) asked the Minister of Environment and Sustainable Development whether, in regard to the Solar Water Heater Scheme Phase III, he will state how many of the 40,000 applications, received in October 2012, have been approved and granted, indicating the amount of money disbursed in relation thereto, as at to date.

Mr Virahsawmy: Mr Deputy Speaker, Sir, with regard to the Solar Water Heater Scheme Phase III, 39,036 applications were received as at closing date on 13 October 2012. Out of these applications, 19,757 have been approved and the applicants have already benefitted from the grant. In this respect, a sum of Rs197.57 m. has been disbursed as at 10 December 2013.

Ms Anquetil: Mr Deputy Speaker, Sir, can the hon. Minister state how will such a scheme benefit to the country?

Mr Virahsawmy: Mr Deputy Speaker, Sir, the Solar Water Heater Scheme, in general, has been a tremendous success in view of its economic, social and environmental benefits. In fact, an assessment of the scheme carried out by Clean Energy Solution Centre based in the United States has concluded that the scheme has been beneficial to the country. The key findings of the assessment are as follows –

- (i) energy savings, LPG savings of 786 tonnes per year and electricity savings of 3,466 MWh per year;
- (ii) economic savings Rs54.2 m. per year on total investment of Rs146 m. for 2012, with a simple payback period of 2.7 years;
- (iii) emission reductions: 5,204 tonnes of CO₂ per year on emissions from electricity generation and combustion of LPG;
- (iv) social benefit: 47% of the systems have been installed in houses where the residents did not have any existing water heating;
- (v) the Solar Water Phase II has offset a significant amount of fuel used, and has extended the availability of hot water to a broader spectrum of Mauritian households, thus increasing the overall standard of living, and
- (vi) environmental, economic and societal benefits of the Solar Water Scheme observed so far are very encouraging.

Mr Uteem: May I know from the hon. Minister whether there has been any complaint received from the applicants with respect to the suppliers of this solar water heater facility; any after sales issues they have had?

Mr Virahsawmy: Whenever there is a complaint, we have set up a section, headed by the Electrical Services Division, which goes on site, and carries out a survey of the equipment which has been supplied. If there is a fault in the equipment, then we request the suppliers to change the equipment, free of charge. If the suppliers do not attend to the request, then we tell the DBM that they have to be removed from the list of suppliers.

PHARMACISTS – REGISTRATION

(No. B/966) Mrs L. D. Dookun-Luchoomun (Second Member for Quartier Militaire & Moka) asked the Minister of Health and Quality of Life whether, in regard to the pharmacists, he will, for the benefit of the House, obtain information as to the procedures that have to be followed for the registration thereof in Mauritius.

Mr Bundhoo: Mr Deputy Speaker, Sir, in accordance to section 12 (4) (b) of the Pharmacy Act, a person shall be registered as a pharmacist, provided that -

- (i) he has obtained a qualification in pharmacy acceptable to the Pharmacy Board, and
- (ii) he satisfies the Pharmacy Board that he or she reckons a full year's practical training –
 - before obtaining the acceptable qualification, but after successful completion of the third year of studies, or
 - after obtaining the acceptable qualification in Mauritius or elsewhere.

Furthermore, I am informed that section 12 of the Pharmacy Act 1983 spells out the procedures for the registration of pharmacists, namely that -

- (i) any person who holds the prescribed qualifications, and wishes to be registered, shall make a written application to the Registrar for registration;
- (ii) on receipt of an application under section 12 (2) of the Act, the Registrar shall –
 - on being satisfied that the applicant holds the prescribed qualifications, and
 - on payment of the prescribed fee by the applicant, register the applicant, with the approval of the Board, and issue to him a certificate of registration.

Mrs Dookun-Luchoomun: May I ask the hon. Minister whether he is aware that students who were awarded the BPharm degree from the University of Mauritius last year, have not been registered, and are being asked to follow supplementary courses after having been awarded the degree before being registered as pharmacists in Mauritius?

Mr Bundhoo: Mr Deputy Speaker, Sir, I am aware of that. I have taken up the matter with the Minister for Tertiary Education. At that time, the Cabinet took the decision to appoint a visitor, Mr Manraj, who had meetings with representatives of my Ministry's Education Board, the Tertiary Education, the University of Mauritius, and subsequently we agreed on the mechanism for the practical training in the private sector, industrial sector, and Government sector. As soon as this is over, they will follow the procedure that I have stated earlier, for them to be registered as pharmacists.

Mrs Dookun-Luchoomun: May I ask the hon. Minister whether this particular mechanism will apply to all other pharmacists coming from any other university from different parts of the world?

Mr Bundhoo: I am not so sure that will apply to pharmacists coming from different parts of the world. From what I understand, for those who have gone through the University of Mauritius for this coming year and last year, there was not the component of training within the industry, the private and public sectors. Thus, the new recommendations of the visitor would apply for those of last year and - I cannot remember exactly - two years before. So, from now on, it will be an integral part of internship within the sectors that I have mentioned earlier. Whereas for those who qualify from overseas, the training is already in-built, those who come with a degree, for example, from India or the UK, and without the certificate of practicability from the public and private sectors, do undergo one year training; six months in the public sector and six months in the private sector.

(Interruptions)

Yes, now, it is the case - before they are fully registered to serve as a pharmacist.

Dr. S. Boolell: Mr Deputy Speaker, Sir, I would like to ask the hon. Minister whether there is any possibility of conflict of interest between pharmacists who work in the Ministry of Health, who are on the Pharmacy Board, and who also give lectures to students of the University of Mauritius.

Mr Bundhoo: I totally agree with the hon. Member. In fact, when I assumed office, with regard to the issue that hon. Mrs Dookun-Luchoomun just raised, I gave strict instructions that members who sit on the Pharmacy Board, in particular, the Education Board, and also those who are in the Directorate or the Pharmacy Division within the Ministry would and should not be allowed to give lectures at the level of BPharm degrees or diplomas at the University of Mauritius.

Mrs Dookun-Luchoomun: Mr Deputy Speaker, Sir, may I ask the hon. Minister whether his answer is revealing that examinations carried out by the University of Mauritius were carried out without the students having completed their course? Because after being awarded the degree, they are being asked to follow additional courses.

Mr Bundhoo: Let me explain that! They have done the degree, but the degree did not incorporate the practical side of it, which has to be in-built, with six months in the private sector and six months in the Government. Maybe, the hon. Member has a point. That question probably will have to be addressed to the Tertiary Education Commission (TEC). But I am telling the hon. Member offhand. Maybe, there are one or two components that have been added upon. But the good thing is that, when the matter was raised at Cabinet level, the Prime Minister advised that a visitor be appointed, and Mr Manraj was appointed visitor. All what had to be corrected was corrected, in order to ensure that the level of the degree provided and the internship with regard to practicability of those who are qualified as a pharmacist is up to international standard.

Mrs Hanoomanjee: Can the Minister explain how the students who have completed their courses, their degrees, can be responsible for not having a module of training in their syllabus? How can they be responsible? Because this thing had to be seen before they were awarded the degree. They cannot be held responsible, and now they are not being registered! How can they be responsible? Can the Minister explain?

Mr Bundhoo: I thank the hon. Member for the question. She is partly correct, and there is some misunderstanding also. The University of Mauritius publicised the course and the students applied. But then the course had to be approved or agreed upon by the Education Committee of the Pharmacy Council, and that bit was missing. But when those students who qualified applied to the Pharmacy Council for registration to serve as pharmacists, this is when the practicability bit was missing. Then, we set up the Committee under Mr Manraj, as a visitor, to correct this.

The Deputy Speaker: Last question hon. Mrs Dookun-Luchoomun!

Mrs Dookun-Luchoomun: I heard the Minister saying that students coming from India will also be asked to follow this additional course in Mauritius. Could the hon. Minister confirm on that particular point?

Mr Bundhoo: No, I did not say 'course'. I said the practical one, that is, six months in the private sector, and six months...

(Interruptions)

Yes! I do give that continuously. In fact, the Ministry of Finance does make provisions for them to be paid a stipend every month when they are with us for six months.

The Deputy Speaker: The Table has been advised that Parliamentary Questions B/981 and B/982 have been withdrawn. Time is up!

MOTION

SUSPENSION OF S.O. 10 (2)

The Deputy Prime Minister: Mr Deputy Speaker, 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 Vice-Prime Minister, Minister of Finance and Economic Development (Mr X. L. Duval) rose and seconded.

Question put and agreed to.

PUBLIC BILLS

Third Reading

On motion made and seconded, the Supplementary Appropriation (2013) Bill (No. XXII of 2013) was read the third time and passed.

(3.41 p.m.)

Second Reading

THE FINANCE (MISCELLANEOUS PROVISIONS) BILL

(NO. XXVII of 2013)

THE ECONOMIC AND FINANCIAL MEASURES (MISCELLANEOUS PROVISIONS) BILL (NO. XXVIII of 2013)

Order for Second Reading read.

The Vice-Prime Minister, Minister of Finance and Economic Development (Mr X. L. Duval): Mr Deputy Speaker, Sir, I move that the Finance (Miscellaneous Provisions) Bill (No. XXVII of 2013) and the Economic and Financial Measures (Miscellaneous Provisions) Bill (No. XXVIII of 2013) be read a second time.

With your permission, I will take both Bills together.

The Finance Bill enacts many of the tax and public finance measures announced in the Budget Speech 2014 as well as in its Annex.

The Economic and Financial Measures Bill 2013 provides the legal framework for the implementation of other Budget measures which are not related to taxation and national finance.

Opportunity is being taken to amend certain Acts to give effect to miscellaneous measures.

We have also announced in the 2014 Budget Speech, measures which will require stand-alone legislations. We will later on during 2014 propose specific legislations to address these issues, such as the setting up of the Serious Fraud Office, a new Water Authority Bill, a new Consumer Protection Bill, a new Petroleum Bill, and a new Morcellement Bill.

Mr Deputy Speaker, Sir, together, these two Bills today before the House, bring changes to 73 Acts of Parliament.

To save the time of the House and facilitate understanding of the numerous amendments, I am circulating a document that contains Explanatory Notes on the various clauses in the two Bills.

I will, therefore, elaborate only on major amendments being made to existing enactments. These relate mostly to improving the legal framework in the areas of -

- A. Investment Promotion, Doing Business Facilitation and Fostering Economic Growth.
- B. Financial Services Sector Development.
- C. Consumer Well-being.
- D. Citizen Facilitation.

E. National Home Ownership.

F. Taxation and Tax Administration.

Mr Deputy Speaker, Sir, firstly, Investment Promotion, Doing Business Facilitation and Fostering Economic Growth. In Budget 2014, we emphasised the importance of a business-friendly environment free from administrative hassles, hurdles and bottlenecks to investment. We have announced several measures that require legislative amendments. These include -

- the setting up of an Investment Projects Fast-Track Committee;
- the streamlining of the approval process for Building and Land Use Permits;
- a single window electronic system for the application and approval of import and export permits;
- simplification of property taxation, and
- the introduction of an Investment Tax Credit Scheme to encourage high-tech manufacturing.

Mr Deputy Speaker, Sir, the Budget has underlined how crucial investment is to growth and employment creation. It has also stressed on the importance of fast-tracking investment projects.

Thus, three enactments are being amended to provide for the setting-up and operation of the Investment Projects Fast-Track Committee. These are the Investment Promotion Act, the Environment Protection Act, and the Sugar Industry Efficiency Act.

As announced in the Budget Speech, the Committee is being set up to expedite the processing of permits and clearances relating to large projects. These projects have the potential to significantly boost our economy in terms of investment, value addition, job creation and growth.

The Committee will be chaired by the Financial Secretary and shall comprise representatives of the Prime Minister's Office, concerned Ministries and the Board of Investment. The Committee may also co-opt representatives of other agencies when required.

The main function of the Committee will be to coordinate with the relevant Ministries or agencies to ensure timely processing of applications and approval for permits. Ministries and agencies will continue to exercise their respective statutory regulatory powers as regards the processing and issue of permits and clearances.

However, in the event that the relevant permit is not issued within the time specified in the Act, the public sector agency shall, within 3 working days of the expiry of the time limit, notify the Committee of the reasons for which the permit has not been issued. On receipt of such notification, the Committee shall apprise the Minister of the status of the project for necessary action.

The Board of Investment, as the first point of contact for investors, shall assess investment projects. Those that are deemed to have a high impact will be recommended to the Fast-Track Committee for consideration. Initially, an investment threshold of Rs50 m. may be applied as an indicative basis for determining large projects.

Applications for permits and clearances in respect of large investment projects will be made under the Environment Protection Act and the Sugar Industry Efficiency Act, through the Board of Investment.

Mr Deputy Speaker, Sir, as regards the Building and Land Use Permit, the Local Government Act is being amended.

The Chief Executive of a Local Authority will now forward copies of all applications received to the CWA, CEB, WMA, the Fire and Rescue Service and the Ministry of Health.

These bodies will be required to give their stand within 5 working days of an application, failing which the silent agreement principle will apply.

The new process aims at enabling the concerned Local Authority to comply with the statutory requirement of determining an application within 14 days.

For the setting up of a Single Window system to facilitate the processing of import and export permits, the Films Act, the Firearms Act, the Fisheries and Marine Resources Act, the

National Agricultural Products Regulatory Office Act, the Pharmacy Act, the Plant Protection Act and the Radiation Protection Act are being amended.

The Single Window, which is part of the e-government strategy, will enhance our trade efficiency through a reduction in the time and cost of processing an application.

As regards the implementation of Budget measures relating to property taxation, one major amendment is being made.

It provides for a single rate of Land Transfer Tax of 5 per cent as from 01 January 2014. This measure should give a major boost to the construction industry whilst giving greater flexibility in land transactions.

As a result, we also expect that this tax simplification at a flat rate would ultimately bring in more tax revenues.

Regarding the introduction of an Investment Tax Credit Scheme to encourage High-Tech Manufacturing, the Income Tax Act is being amended.

Eligible companies will be able to deduct from their tax payable, 5 per cent of the amount so invested per annum for 3 consecutive years, that is, a total of 15 per cent of the investment made.

The tax credit will be available to the investing company right from the year the investment is made and it will be in addition to the normal depreciation provision.

Moreover, any unrelieved tax credit may be carried forward for a period of 5 consecutive income years following the year the investment is made.

Categories of eligible activities would include -

- textiles and wearing apparels;
- pharmaceuticals and medicinal chemicals;
- computer, electronic and optical products;
- medical and dental instruments and supplies;

- electrical equipment;
- furniture;
- jewellery and *bijouterie*;
- ship and boat building, and
- film production.

The Budget also stresses this Government's commitment to further open up the economy to foreign talent. This is a means to improve the doing business environment as well as attract more FDI.

We are allowing for the electronic application and issue of occupation and residence permits as well as payment of the relevant fees.

In addition, the Non-Citizens (Property Restriction) Act is being amended to allow retired non-citizens who transfer at least USD120,000 anytime during the first three years of their residence permit to acquire an apartment.

The Immigration Act is being amended to do away with the requirement for a non-citizen to furnish a bank guarantee on application for an occupation permit or a residence permit.

We are moving, at Committee Stage, for an amendment to extend this facility in the case of Permanent Residence permit.

Regarding our project for making of Port Louis a bunkering hub, I wish to inform the House that my colleague, the Minister of Industry and Commerce has made the appropriate Regulations for liberalising bunkering activities.

In the same vein, the Finance Bill contains business facilitation provisions relating to bunkering business.

Thus, a master of a vessel will no longer be required to furnish a bond to the MRA. A simple undertaking to the effect that it will not re-sell the bunker fuel in Mauritian waters will be sufficient.

Moreover, anti-fouling paint, ships spares and accessories, marine oil, lubricants to be solely used for servicing or maintenance of ships and carried out under customs control will be free of duty, excise duty and taxes.

Mr Deputy Speaker, Sir, financial services is the next key area in which the Budget Speech has announced a series of measures requiring improved legal framework.

Amendments are being made in the area of banking, non-banking financial services and global business. The aim is to strengthen the regulatory framework. We want to enhance the competitiveness, soundness and stability of the financial system and maintain the good reputation of Mauritius as a centre for global business.

Amendment is being made to allow the Bank of Mauritius to share information with the Financial Services Commission for the purpose of meeting the requirement of the International Organisation of Securities Commission (IOSCO).

Amendments are also being made in the Economic and Financial Measures Bill to the Financial Services Act to -

- (a) empower the Financial Services Commission to compound any offence under the relevant Acts as in the case of the Bank of Mauritius;
- (b) provide greater avenues to the global business sector for dealings with residents;
- (c) extend immunity to persons to be appointed to manage the Compensation Fund under the Insurance Act;
- (d) review the financial contribution formula of the FSC to the Consolidated Fund, and
- (e) allow the FSC to investigate any person providing financial services without a licence.

Amendments are also being made to the Financial Intelligence and Anti-Money Laundering Act.

Mr Deputy Speaker, Sir, it is the policy of this Government to do what it takes to ensure that Mauritius is and remains a clean and reputable jurisdiction. In this context, we have always adhered to the international norms and standards on anti-money laundering and combating the financing of terrorism issued by the Financial Action Task Force. In so doing, we are conscious that we have a fine balance to maintain between the need to respect civil liberties and the need to make our regulatory and investigative framework second to none.

However, if there is any abuse that disturbs this equilibrium, Government will necessarily have to step in to take remedial action. This is why, as I announced earlier, we will be coming up with legislation to set up a Serious Fraud Office, which will be fully empowered to deal with financial crimes and fraudulent practices.

In the same vein, amendments are being brought to the Financial Intelligence and Anti-Money Laundering Act. These relate to -

- governance issues, accounting and reporting requirements at the FIU;
- submission by reporting institutions of Suspicious Transactions Reports (STRs) solely to the FIU;
- STRs submitted to the FIU cannot be used as evidence in a Court of Law, and
- Setting up time frame for submission of STRs and information requested by the FIU.

Following constructive dialogue with operators, it became clear that there was a need to clarify certain provisions of the Bill. I will, therefore, move at Committee Stage for amendments which have been circulated. These amendments provide as follows -

- (1) any exempt transaction approved by the CEO or COO (Chief Operating Officer) of a bank and any other financial institution must be in accordance with guidelines, instructions or Rules issued by the relevant supervisory authorities;
- (2) the Board of FIU will have a greater overview on the manner the Director of FIU discharges his functions. However, the Board will not be involved with any matter in respect of the lodging, reporting, requesting or disseminating information in respect of any suspicious transaction report or have access to information concerning a suspicious transaction report;

- (3) access to bank information by the FIU will be limited to suspicious transactions only;
- (4) regulatory bodies under the Financial Intelligence and Anti-Money Laundering Act such as the Bar Council, Mauritius Institute of Professional Accountants, Financial Reporting Council and Law Society will be responsible for ensuring compliance with the AML/CFT guidelines. These bodies will, however, not be empowered to carry out on-site inspections on the premises of members of the respective bodies. Only investigatory bodies will have the statutory powers for on-site inspections. Government will closely monitor the effectiveness of this approach. Should these bodies not take effective action, Government will come up with even tighter legislation, and
- (5) the provision for a Certificate relating to a report on suspicious transaction to be issued by the FIU for Court proceedings is being removed.

Mr Deputy Speaker, Sir, another important focus of the 2014 Budget Speech was consumer well-being. To better protect consumers of financial products, we introduced the *in-duplum rule*. Amendments are being made to implement that rule in respect of any balance outstanding for non-performing loans.

The penalty fee will be limited to 2 per cent per annum and financial institutions will not be able to claim penalty fee on early repayment of loans. This measure will be applicable to all loans taken by individuals as from 1 January 2014.

Consumer safety was a major concern addressed in the 2014 Budget. Thus, regulations made under the Consumer Protection Act for specifying safety standards and requirements to be met in the supply of any good would also apply to its importation.

In the same vein, the Pharmacy Act is being amended to -

- (i) describe the process involved in the registration of pharmaceutical products;
- (ii) clarify the process involved when an application is made for the clearance of the Pharmacy Board prior to the import of a pharmaceutical product;
- (iii) provide for issue of guidelines, and

- (iv) deal with false statements, false representation and failure to disclose material facts.

Last year, an income tax deduction was introduced in respect of premium paid on a medical or health insurance policy.

Following representations made by the Association of Private Health Plans and Administrators, the scope of the relief is being extended to cover medical/health schemes operated by provident funds and associations.

Mr Deputy Speaker, Sir, another main focus of 2014 Budget was Citizen Facilitation. Many of the measures announced for that purpose require amendments to a number of enactments.

Clauses 2, 10, 18, 20 and 21 of the Finance Bill amend the Affidavits of Prescription Act, the Inscription of Privileges and Mortgages Act, the Notaries Act, the Registration Duty Act and the Road Traffic Act respectively. These amendments provide for the coming into operation of the e-registry Project at the Registrar-General's Department for electronic submission of documents for registration and e-payment of duty.

Clause 21 also amends the Road Traffic Act to enable payment of fines for Photographic Enforcement Device Notice (PEDN) offences by proxy and at any District Court.

Mr Deputy Speaker, Sir, our National Home Ownership Programme was announced in the Budget Speech. Provision is being made, under the VAT Act for refund of VAT up to a total amount of Rs300,000.

This will apply to construction of a residential building or the purchase of an apartment by a household with monthly income not exceeding Rs50,000. The scheme will cover housing units not exceeding Rs2.5 m. and will be of three years duration, starting 1 January of next year.

We are bringing appropriate amendments to the State Lands Act to enable some 17,000 families with very modest income to become owners of the land on which their homes are built.

Thus, derogation is being provided to enable sale of State Land (other than *Pas Géométriques*) to holders of a building site lease over a portion of land not exceeding 10 *perches* at a price up to Rs2,000.

Mr Deputy Speaker, Sir, it may be recalled that, two years ago, we introduced the Construction of Housing Estates Scheme. Under that Scheme, a housing estate construction project with at least 5 units for which the selling price does not exceed Rs4 m. per unit is exempted from both Land Transfer Tax and registration duty on purchase of land.

The scheme will also provide for exemption from Land Transfer Tax on the sale of a residential unit. We are extending the validity period of the scheme by an additional year.

Currently, interest relief is granted as an income tax deduction to an individual in respect of secured housing loans.

This applies when the loan is contracted with a bank or a non-bank deposit-taking institution under the Banking Act or with an insurance company.

The scope of interest relief is being extended as from Income Year 2013 to cover housing loans taken by employees or members from the Sugar Industry Pension Fund, the Development Bank of Mauritius and the Statutory Bodies Family Protection Fund.

Mr Deputy Speaker Sir, I will now elaborate on some of the amendments that concern tax and tax administration.

The main amendments to the Income Tax Act are to provide for -

- (a) an increase in the various Income Exemption Thresholds by Rs5,000;
- (b) a resident société to be subject to Corporate Social Responsibility (CSR) contribution like any other company;
- (c) an extension of the scope of Tax Deduction at Source (TDS) to cover interest payments made by financial institutions and other companies to an individual where such interest is taxable, that is, excluding interest obtained on a savings or a fixed deposit account or on Government Securities;

- (d) harmonisation of TDS remittance date for the month of December with the due date for other taxes so as to enable block payment by taxpayers and simplify electronic transfers;
- (e) an extension of the income tax exemption for Freeport Operators to Private Freeport Developers;
- (f) an extension of the date limit for submission of income tax return from 31 December to 15 January for a company whose accounting year ends on 30 June and with no tax to pay;
- (g) a derogation for MRA Officers from confidentiality provision in respect of Court proceedings instituted under the Prevention of Corruption Act;
- (h) a clarification that the income tax exemption in respect of shipping income covers also income obtained from ship chartering activities;

Mr Deputy Speaker, Sir, last year, we undertook a major reform of the Customs Administration Penalty System with a view to making it fairer and more transparent. We are also further improving the fairness of the system.

Currently, a 50 percent penalty has to be paid in cases of suspected under-valuation even before any objection from the trader is heard. Henceforth, the 50 percent penalty will become applicable only after final determination of the case. Provision is being made for any refund of excess duties and taxes by MRA to include interest.

The purpose of the amendments to the Customs Tariff Act is mainly to close a loophole in the provisions relating to non-compliance with conditions attached to the granting of a duty concession including to a returning resident.

In case of breach of conditions attached to an exemption and non-payment of the relevant duties and taxes, the MRA will now be empowered to detain the goods.

At the same time, for the sake of ensuring fairness, provision is made for payment of proportionate duty instead of full duty in the case of a returning resident has to re-settle overseas for professional or other reasons.

Mr Deputy Speaker Sir, following representations made by the local furniture-making industry and with a view to protecting employment, especially among SMEs, provision is being made to allow for a higher rate of customs tariff on wood windows and doors from 15 percent to 30 percent with effect from 01 January 2014.

We are making provision under the Excise Act for the new tax regime announced in the Budget governing Carbon Dioxide levy/rebate scheme.

I will move, at Committee Stage, for an amendment concerning the transitional provisions which have been circulated.

An Arrears Payment Scheme is being introduced at the Registrar-General's Department as from 01 January 2014. Where duties and taxes and penalty thereon have remained unpaid as at 08 November 2013, such penalty shall be waived provided the amounts due are paid not later than 30 September 2014.

Those persons, who have cases pending before the objection unit of the Registrar-General's Department or the Assessment Review Committee, may remove their cases and settle the amount free of penalty.

As regards the Gambling Regulatory Authority Act (GRA Act), we have brought the necessary amendments to implement the Budget measures, namely -

- (a) Setting a legal framework for the issuing of *Ad hoc* licences for gambling on such occasions as weddings of foreigners in Mauritius, for holding international poker game competitions, and for other prescribed events;
- (b) Introduction of a specific licence fee of Rs10,000 yearly for Limited Payout Machine Operator;
- (c) For Sweepstakes Organisers and Limited Payout Machine Operators to furnish Rs200,000 as security for the purpose of guaranteeing the payment of any debt in case of default, and
- (d) Extension as from next year of the betting duty to bookmakers conducting fixed odds betting on football matches played outside Mauritius at the fixed rate of Rs24,000 per week in respect of each licensed place of business.

Mr Deputy Speaker, Sir, I would now like to highlight a few other provisions of the two Bills.

Clause 39 of the Economic and Financial Measures Bill amends the Public Procurement Act to improve the procurement process and reduce the procurement lead time as follows -

- (a) Section 3(1B) to enable Government to benefit from development expertise of a foreign State under G2G Agreement;
- (b) Section 7 to improve the functioning of the procurement system, including the operation of annual procurement planning;
- (c) Section 8 to provide for the Central Procurement Board (CPB) to submit as from next year an annual report to the Minister of Finance and Economic Development and a copy will be laid before the National Assembly;
- (d) Sections 9 and 10 to review the organisational set-up of the CPB concerning appointment of a Chief Executive and of a Secretary by the Public Service Commission;
- (e) Section 37 to introduce a process to reject abnormally low bids, and
- (f) Sections 44 and 45 to strengthen the administrative set-up of the Independent Review Panel and to make provision for the setting-up of a second Division with a view to improving its functioning and speeding-up determination of cases. Clear guidelines will be set by the PPO to ensure that both Divisions are aligned on the same objectives and principles.

Clause 23 of the Economic and Financial Measures (Miscellaneous Provisions) Bill reduces the time frame for ICTA to process an application from 90 to 30 days, subject to any agreement between Mauritius or ICTA with any other State or any national or international organisation relating to ICT including telecommunications.

Finally, we are bringing major amendments to the Nelson Mandela Centre for African Culture Trust Fund Act to give the Centre a new orientation. The scope of the Centre is being broadened to cover -

- (a) The financing of projects for the benefit of descendants of slaves aiming at their ecological socio-economic upliftment;
- (b) The sensitisation of relevant stakeholders locally and abroad towards the attainment of the objectives of the recommendations of the Truth and Justice Commission, and
- (c) Conduct of fund-raising campaigns locally and internationally to finance projects related to the poorer sections of the population.

Moreover, the composition of the Board is being reviewed to ensure its representativeness.

Henceforth, the Board will comprise 10 members, *inter alia* amongst persons with a proven track record in the upliftment of descendants of slaves.

The reformed Nelson Mandela Centre will work closely with the National Empowerment Foundation as well as with other Ministries and Departments.

Mr Deputy Speaker, Sir, in conclusion, we are confident that the amendments in these two Bills will help us make a major stride towards our goal of becoming a high-income nation.

These amendments cover the triple bottom lines of our development efforts from economic growth to social progress and to environment enhancement. They bear out our relentless efforts as a nation to always aspire to a better future.

With these words, Mr Deputy Speaker, Sir, I commend the two Bills to the House.

At 4.13 p.m., the sitting was suspended.

On resuming at 4.53 p.m. with Mr Speaker in the Chair.

Mr A. Ganoo (First Member for Savanne & Black River): Mr Speaker, Sir, I shall make a few brief comments since the debates on the two Bills have been consolidated. After me, my friends, on the Opposition side, will elaborate on a few other aspects of the different pieces of legislation that this House is called upon to amend today.

Mr Speaker, Sir, the Finance Bill is vital for the effective implementation of the budgetary measures which have been announced in the Budget. As a responsible Opposition, it is our duty to ensure that each rupee of the taxpayers' money is well spent. It is our duty also to

draw the attention of the hon. Minister on issues which we deem unfair, unreasonable or could be improved.

We will, of course, not comment on all the clauses of the two Bills, Mr Speaker, Sir, which amount, in fact, to – I think the hon. Vice-Prime Minister said it – 77 clauses in the two different Bills. We will, therefore, be selective and restrict ourselves to what we consider to be the most essential ones.

Some of the amendments proposed today, are simply and rightly so, perhaps, an update in view of the technological innovations brought in various economic sectors. Others reflect the need for compatibility with other legislations. And others, Mr Speaker, Sir, are mere attempts to be more precise in a legal, administrative or technological sense, in specific aspects of the Bill.

I come to the first Bill, Mr Speaker, Sir. Let me call it the Finance (Miscellaneous Provisions) Bill. I refer to the Customs Act on page 9 of the Bill, clause 4. Mr Speaker, Sir, this Act seeks to consolidate the foundation for raising revenue through details specifying the obligations of importance. I can see from this clause that it equally sets the parameters for refund. It equally, therefore, applies the rule of law respecting the rights of firms and, in fact, imposes upon Government Authorities to behave along strictly commercial lines, which shows that Government recognises the important economic concept of opportunity cost.

Thus, the amendment in subsection 5 of the Customs Act provides that refunds - and I quote –

“(...) carry interest at the prevailing repo rate.”

This principle, Mr Speaker, Sir, is applied for the amendments of the various financial legislations. I believe that this is a good attempt to ensure that rights of commercial enterprises are respected and the basic economic concepts are fully integrated in our legislation.

Since creating an enabling environment is of paramount importance to trade, growth and development, Mr Speaker, Sir, I was wishing that our approach would be consistent throughout. Unless I have misinterpreted the spirit of the amendment, section 77 seems to depart from this principle of creating an enabling environment and could be interpreted as a form of coercion, Sir. What do I mean by this? From the reading of the amendment, “warehouse goods not cleared

within 15 days of notice are transferred to a customs warehouse for the purpose of auction sales under section 61.” So far so good! The offence has been punished, but who pockets the sales receipts? The MRA, or does the MRA return the sales proceeds to the importer? It is not clearly specified from the reading of the amendment, Mr Speaker, Sir. But the latter scenario is most unlikely. So, the question that I am asking the hon. Minister is: why do we have to push the cork further by imposing another fine not exceeding Rs100,000 on conviction? Is it not double punishment for the same offence?

Usually, Mr Speaker, Sir, it is business in difficulties which fail to clear their goods.

(Interruptions)

Yes, at page 9. I think before the Minister came in, I mentioned the page, Mr Speaker, Sir. It is about the offence of the warehousing. The point I was making is: usually it is business in difficulties which fail to clear their goods thereby incurring substantial losses. Instead of assisting them to contribute to development, we place another hurdle.

But, fortunately, there appears another provision which confers the power to waive the whole or part of any penalty. But, Mr Speaker, Sir, this adds to excessive red tape and places the defaulter at the mercy of a Committee which has to decide whether the offence is, and I quote –

“(…) attributable to a just or reasonable cause”.

Mr Speaker, Sir, I now come to the Excise Act. I was on clause 4 of the Customs Act and I now come to clause 7 of the Excise Act, Mr Speaker, Sir.

The CO² Emission Certificate is purportedly a step in the desirable direction to protect the environment. But, the hitch, Mr Speaker, Sir, is, I think, we need to look at the problem in a holistic approach and not merely from a fiscal perspective. The Ministry of Environment and Sustainable Development is obviously overshadowed. We hear very often of breaches in our environment law, uprooting trees on roadsides and so on and all this is at heart with the Ministry of Finance’s attempt to control CO² for we all know the beneficial impact of trees and CO² emissions.

Mr Speaker, Sir, all the serious attempts at the Ministry of Finance and Economic Development would be futile if there is no coherent and holistic policy because, in fact, the statistics reveal an increase of 3% of CO² emission in our country between 2011 and 2012. I think the country awaits better results from the Ministry of Environment and Sustainable Development. In the same vein, Mr Speaker, Sir, I come to clause 7 concerning the idea for using fiscal policy to encourage the export...

(Interruptions)

... Clause 7

Mr Speaker: Which page, please?

Mr Ganoo: I am on the pet bottles, Mr Speaker, Sir, it would be on page 14 concerning the CO² levy and page 19 for claim of export on waste, the pet bottles.

I was saying, Mr Speaker, Sir, that we agreed with the idea for using fiscal policy to encourage the export of these bottles. While this diminishes the amount of polyethylene terephthalate bottles littered all over the island, on our roadsides, which, of course, intensifies the biodegradable burden and, therefore, is expected to improve the environment. Again, I think a more appealing approach should have been that of restoration economics. The Minister of Industry, Commerce and Consumer Protection, here should have come with an innovative attempt to clear the way to implement a new manufacturing project at a time when manufactured exports are a priority for this country. I am talking here that we have missed an opportunity to utilise all these waste bottles for creating a recycling industry.

Mr Speaker, Sir, I come now to the other clause 9 of the Bill which is the Income Tax. I am going to comment on the new measures which are being proposed. It is on page 25 – Income Tax Act (Amended) and this is with particular reference to pages 26 and 27. Also, I will come to page 32, Mr Speaker, Sir, in a few minutes. But let me come to the deduction clauses, Mr Speaker, Sir. Here, I would say that, as we all know, the saving rates in our country have been woefully low under this Government. The Governor of the Central Bank raised this issue on various occasions. I am not saying that to tease my friend, the hon. Vice-Prime Minister, but several other opinion leaders have equally expressed their concern at the sub optimal savings

rate. This august Assembly is certainly aware, Mr Speaker, Sir, of the strong relationship between savings and investment and investment and growth and our stagnating growth may be attributed to a large extent to our declining and low saving rates. In fact, throughout many years this Government has shifted away from a policy that could have helped us to surf from economic miracles to economic miracles, but plunged into one that was more adapted to countries having reached heightened industrial maturity. Since long, in fact, we have been militating for a revision of this policy and I am happy that the Vice-Prime Minister has shown greater foresight in allowing, and I quote –

“(...) a relief by way of deduction from net income in respect of the interest paid in that income year.”

This is in the Bill, Mr Speaker, Sir.

“(...) entitling every person to deduct from his net income the actual amount paid in that income year in respect of health insurance, or contribution to an approved provident fund.”

But, again, I have to comment that there was an opportunity here, an opportunity *par excellence* to extend this measure to life insurance, to achieve higher savings. We could have, in fact, achieved higher savings rate, Mr Speaker, Sir, if that measure was extended to life insurance. But, even so, with this measure, most probably savings would rise, and several financial institutions would be expected to host more applications for funding, reflecting greater dynamism in construction and development. But, the hitch, Mr Speaker, Sir - and I hope the hon. Minister would give us the answer - is that the Bill does not clearly specify the time period this measure would apply. Greater precision would certainly clear much misunderstanding and confusion.

But the income tax exemption, Mr Speaker, Sir, on the other hand, I must say, is lukewarm, is nearly a sham, and provides little relief at a time when the spiral rise of inflation lurks in the horizon, and the nature of necessities keep widening. The middle class, Mr Speaker, Sir, continues to be impoverished, to be fleeced. The exemption threshold, I would say, is an insult, or it hardly takes into account the favourite concepts of accountants and economists: that

of net present value. The hon. Minister, who is an accountant by profession, clearly understands why I consider this measure lukewarm, nearly a sham. In fact, the relief is no relief, Mr Speaker, Sir.

I come to the other measure in the same clause, Mr Speaker, Sir, at page 32; the provision of tax credit on investment on new plant and machinery. I have strong reserves at the manner it is being implemented, and at the inherent contradictions, if not negative discriminations against SMEs. I would have thought that there is need for a revision here, Mr Speaker, Sir. Investment has reached its nadir, and it will affect growth trend seriously. It is no secret for this House that investment constitutes an injection, and our country badly needs injection to be placed back on the trajectory of sustainable high growth. This measure, Mr Speaker, Sir, is one that falls in an investment trap, and will achieve little, as it is likely to hurt several stakeholders.

First, it is restrictive. Mr Speaker, Sir, it is not understood why we need to restrict the incentive to the period of 2014 to 2018. If we are to sustain high growth, we need to continually invest. Otherwise, the well-known multiplier-accelerator theory will work in reverse.

Second, Mr Speaker, Sir, expenditure met must exceed Rs100 m. during this period, or Rs20 m. on average. This, therefore, automatically excludes the SMEs. Yet, we know the contribution of SMEs to the economy in terms of jobs and value added, and their contribution will keep increasing, as an SME is actually a big firm in the making. Hence, this measure, Mr Speaker, Sir, targets only big firms. How, then, can we achieve wealth democratisation, which is apparently a cherished concept of this Government? In fact, this measure is in contradiction with all - I will not say bla-bla-bla - the talk we hear about work democratisation, Mr Speaker, Sir. So, these are the few remarks I wanted to make on the first Bill.

Concerning the Economic and Financial Measures (Miscellaneous Provisions) Bill, Mr Speaker, Sir, which deals with 44 different pieces of legislation - as I said, I will leave some for my friends of the Opposition - I will comment on a few clauses of the Bills which are being amended today. Let me come to the clause 2, the Bank of Mauritius Act, itself, which is being amended. Just one brief comment!

Mr Speaker, Sir, when I look at the proposed amendment, clause 2, it is clear that the banking sector has undergone tremendous technological change, so much so that, today, even

seasoned economists are at a loss to provide a clear definition of money. This piece of legislation helps to bring a little more precision to our understanding of money. Hardly had the Bank of Mauritius introduced polymer notes that we start to wonder whether paper notes, as well as these polymer notes, have not already become obsolete, Mr Speaker, Sir. In fact, what is happening, the world is fast integrating into the age of electronic money or e-money and, therefore, this amendment, Mr Speaker, Sir, comes at the opportune time.

During the pre-e-money era, counterfeiting money has always been a headache, Mr Speaker, Sir. The advent of the new notes - the polymer notes - somewhat diminishes the risk of counterfeiting and the circulation of fake notes. E-money is expected to reduce the risk of counterfeiting. However, Mr Speaker, Sir, the danger of hacking is always ever-present. Depositors require greater security and protection. I don't know whether the hon. Minister has overlooked this danger. Therefore, the next related question that we have to ask is: how do we compensate any victim of hacking, someone who suddenly finds all his or her savings disappearing from his/her account? I think that there is no provision of insurance or compensation for such victims, Mr Speaker, Sir, although I note that, in section 5, amendment is made to provide for compensation to any person who has suffered loss because of a contravention of the banking laws. So, I would have liked the hon. Minister to clarify on this issue.

Mr Speaker, Sir, I come to the next clause. I will leave the Banking Act, the Ponzi scheme to my other friends, but I will come to clause 8, Mr Speaker, Sir, that is, the Construction Industry Development Board Act amended. Mr Speaker, Sir, it looks a simple amendment, but this is another missed opportunity. I think this Board - the hon. Minister should have seized the opportunity, jumped on the occasion to revamp this Board as an institution which has been playing too low a profile. The nation was expecting several amendments, so that this Board could have played a vital role, Mr Speaker, Sir. Here was an opportunity to address the problems burgeoning in this sector through a complete revamping of this legislation. And I remember, if there is any sector which the hon. Vice-Prime Minister, when he was reading his Budget Speech said was having difficulties, he, himself, talked about the construction sector. I can't remember the exact words and I don't want to waste the time of the House to quote what he said exactly. But he, himself, admitted that this sector is going through tough time.

Mr Speaker, Sir, this important regulatory body should have been flying at cruising rate and, unfortunately, the institution has been flying like an ordinary pitch. Why do I say that, Mr Speaker Sir? The construction sector has witnessed two consecutive years of contraction; -9.4% last year. Today, Mr Speaker, Sir, as I said, the hon. Vice-Prime Minister himself admitted that this sector is at its lowest. This is a sector which is a job provider to thousands and thousands of families. It provides 10% of employment to our labour force. The contribution to GDP of the construction sector, which at one time was around 7%, has now dropped to 5%. We were initially on a trajectory closer to Singapore or UK. We have regressed and this sector has experienced huge contraction between 7% and 9% over two years in a row, and as an economic strategy, the construction sector cannot only be a growth stabiliser, but it can be transformed into an export-oriented sector with huge potential and critical linkages with educational and financial sectors.

Our African strategies in place, Mr Speaker, Sir, could have opened new vistas of growth and new opportunities for our construction professionals; engineers, site managers, surveyors, accountants and so on and all these countries like Mozambique, Botswana and Congo could have been our markets, Mr Speaker, Sir. Unfortunately, there has been no reflection along those lines and the recent drop in growth is not that this sector is doomed, far from it. I think this is where Government's intervening role is determining, where planning is crucial, where close monitoring is vital and this is where the economy has to be viewed in a holistic manner, Mr Speaker, Sir.

Furthermore, Mr Speaker, Sir, I do not want to repeat what I just said, but let us remember that an estimated 22% of the population depend on the wages of the Mauritian workers in the construction sector. Therefore, as I said, Mr Speaker, Sir, the amendment brought to the Construction Industry Development Act should have taken on board what is happening in this sector and proposed measures to revamp our construction industry. I would appeal, therefore, to the authorities to rethink our strategies and see to it, and ensure, Mr Speaker, Sir, that there should be plenty of infrastructure construction works in this country and exploit all the opportunities in investment and creating jobs.

Mr Speaker, Sir, the Electricity Act, clause 12 of the Bill on page 26, the Bill proposes to delete the word 'President' and to substitute the word 'Minister' instead. Mr Speaker, Sir, on this score the question that I would like to ask the hon. Minister is that, in fact, we must

remember that we have in our legal arsenal the Utility Regulatory Authority Act passed in 2004, amended in 2008, proclaimed by Proclamation No. 14 of 2008. Here, therefore, in 2004, this Assembly adopted the law setting up the Utility Regulatory Authority and this law was proclaimed by this very Government in 2008. Therefore, the question that we have to ask when we look at this amendment giving to the Minister the powers of the President in the Electricity Act, especially in terms of issuing the necessary permits for renewable energy, Mr Speaker, Sir, the small independent power producers, the question we asked, Mr Speaker, Sir, was: shouldn't the law have been amended, in fact, to invest this Authority with the power, the prerogative of repressing the President? In fact, the President rightly, Mr Speaker, Sir, should no longer be responsible for the powers and the prerogatives which have been given to him by virtue of the Electricity Act, which, as far as I remember, is a law which dates about, I think, 75 years ago. I remember a new Electricity Act was proposed, but it has never been proclaimed and adopted by this House. In this old law, Mr Speaker, Sir, it was the President who had such a determining role. Now, we want to change it and substitute the 'Minister' but, in fact, I think, Mr Speaker, Sir, the body which should have been entrusted with these powers - which I just referred to - should have been the Utility Regulatory Authority which, as I said, is already in existence. Mr Speaker, Sir, because this body is an independent body, it is the body which can decide about the tariffs, about the preferred promoters and bidders and this is what the law which sets this body, in fact, provides for. I think, again, on this we have missed an opportunity and we have, in fact, Mr Speaker, Sir, once again, failed to give the proper body and the institution the opportunity to play its role. And, as you all know, the Utility Regulatory Authority is an independent body unlike the Minister who is a political figure.

Mr Speaker, Sir, the Employment Rights Act, clause 13 of the Bill contains positive proposals. The new definition of earning is a big step forward, Mr Speaker, Sir, but I remember when the Bill was debated in this House, before 2010, before the hon. Minister became Minister of Employment, during the debates of 2008, I remember making this suggestion, Mr Speaker, Sir, that we have to review the definition of 'earnings', as far as I remember, Mr Speaker, Sir. And it is a good thing therefore that today, as we can see at page 27 of the Bill, a new definition of 'earnings' is being proposed by the Minister of Labour and 'earnings' is defined as meaning basic wages, including wages earned for overtime, and, thirdly, any sum of money, by whatever name called, paid to a worker, but, I think, again, here there is an itch, again here there is

something which is objectionable, which is the following: the definition excludes 'commission', and I think this is unfair to the employee and I would have liked the hon. Minister to explain to the House, because I can see that he is on the list of orators today. Why has 'commission' been excluded in the definition of 'earnings'?

As far as I understand, in any other jurisdictions, it is different and what obtains in the other jurisdictions is that 'earnings' do include 'commission' and perhaps the Minister would kindly give us an explanation as to why the measure which is prejudicial to the employees and to the workers is being proposed, that is, the definition of 'earnings' does not exclude the 'commission'.

Mr Speaker, Sir, the Energy Efficiency Act is at clause 14 of the Bill at page 28. Let us look at the middle of page 29, Mr Speaker, Sir, in section 20, and this is the amendment proposed -

“ The office may release an or part of an energy audit file in accordance to section 19 to any other party in such circumstances as the office may determine”.

This is a new measure, Mr Speaker, Sir, because in the law before this was not the case and, therefore, I would have wished to be enlightened why do we now have to remove this element of confidentiality. The removal of confidentiality, Mr Speaker, Sir, tantamounts to undue competitive advantage to a competitor in the same sector as energy is a major input in terms of costing for any manufacturing industry. There is no plausible reason for the removal of the confidential clause, otherwise, Mr Speaker, Sir, this confidentiality clause, which is being removed by clause 20, this clause, in fact, is being amended to allow the EA Committee to share this report to a third party. True it is that the amendment provides that the third party cannot disclose the content of the report, unless he has prior approval from the Committee. But it would seem to me, Mr Speaker, Sir, this does not make sense and I am a bit shocked by this amendment, because what is an Energy Audit Committee, the element of confidentiality is extremely important, Mr Speaker, Sir. So, we would have liked the Minister to enlighten us about *le bien-fondé* of this measure.

Mr Speaker, Sir, I now come to the Environment Protection Act, clause 15 and this clause is linked, in fact, to clause 26, Investment Promotion Act Amended. In fact, these two measures are related, clause 15 and clause 26, Mr Speaker, Sir. This is about the fast tracking.

Clause 15, Mr Speaker, Sir, is at page 30. The Environment Protection Act is amended by repealing section 19(a) and replacing it by the following section: 'Notwithstanding this Act, an application for an EIA licence in respect of a large investment project, submitted by the Board of Investment to the Investment Projects Fast Track Committee, under the Investment Promotion Act shall be made to the Director through the Board of Investment, in accordance with section 18(f) of the Act.' And we should read this amendment in clause 15 together with clause 26 at page 50, the Investment Promotion Act is amended in Part 4(a) by adding the following new section: 'Investment Projects Fast Track Committee. There shall be set up for the purpose of accelerating implementation of large investment projects, a committee to be known as the Investment Project Fast Track Committee or IPFTC.'

The composition of the IPFTC is provided for in the law. The Chairman will be the FS and there are ten or a dozen of members on this Committee, Mr Speaker, Sir. This Committee will coordinate the processing of applications, approval of permits and so on, and the proposed amendments, therefore, provide what will be the objectives and the functions of this Committee, the IPFTC.

Mr Speaker, Sir, relating to this amendment, we are a bit apprehensive of this proposal. It was announced in the Budget. I can't remember if any comment was made during Budget debates on that proposal, but if I had spoken, I would have made this comment, Mr Speaker, Sir. I must, first of all, say that we are not anti-development, Mr Speaker, Sir. But what we are saying, on this side of the House, is that all developments must be undertaken within the context of well thought out strategies and plans.

Mr Speaker, Sir, during our first phase of industrialisation, we did the mistake of relaxing planning and development control, as well as environmental standards to be able to attract much thought after investment in the industrial sector. We have been wiser after almost three decades treading along that path, Mr Speaker, Sir.

Now, the intention of Government today to fast track big projects as announced in the Budget, and as provided in the Bill today, in the clauses I just referred to, I think could be very

dangerous for the country. Because, Mr Speaker, Sir, as the Budget states, these big projects are also, I quote - this is from the Budget Speech – ‘big impact projects’.

Mr Speaker, Sir, every percentage of economic growth has physical impacts on the ground. The bigger the project the bigger the impact and, unfortunately, we are aware that this Government, very often, has demonstrated lack of real willpower to commit itself.

Mr Speaker: I am sorry to interrupt the hon. Member! We have already completed debates on the Budget. I do understand the feeling of the hon. Member to the effect that he cannot remember whether anybody has touched or discussed upon the subject matter he is now trying to discuss, but this Bill concerns implementation of measures announced in the Budget. So, I would appeal to the hon. Member to limit his comments to the different provisions of the two Bills we are debating. Thank you.

Mr Ganoo: I bow to your ruling, Mr Speaker, Sir, but if we differ on the proposal in the clause, we must say why we differ. I am not opening a debate, but I am just elaborating superficially on why we are against this project.

Mr Speaker: Elaborating is a big word, which means a lot, you will say a lot. I have allowed you briefly to express your views. I have been flexible to you, but I hope you understand.

Mr Ganoo: Mr Speaker, Sir, I must say I have already said what I had to say.

(Interruptions)

Mr Speaker: Yes.

Mr Ganoo: Thank you.

Mr Speaker: I know that. I have allowed you this opportunity, but no more opportunities.

Mr Ganoo: So, thank you for intervening at the right time.

(Interruptions)

Mr Speaker, Sir, I am sure the hon. Minister is very attentive to what I am saying, and will take on board what I am saying. But we are saying we are not anti-development, but we must be very guarded. Fast-tracking is a good thing, of course. We need the FDI, we need projects, but it is just that these committees must work scrupulously and must not be subject to lobbies and pressure. It should be done within the parameters of our law and effectively. That is the case, we have no problem about fast-tracking and any development, Mr Speaker, Sir, but we say no to undue pressure, undue lobby from the part of promoters. The law should not be transgressed and all the procedures should be adhered to scrupulously.

After my comments on the EPA and the IPA, Mr Speaker, Sir, I would like to make a few comments on the Nelson Mandela Centre or African Culture Trust Fund which is amended, the Act which is amended in section 32. Mr Speaker, Sir. I listened to the hon. Minister just now, he has also commented on this proposal.

We also have some reserves, Mr Speaker, Sir, objections, in fact, to what is being proposed today.

The original Act is being amended for two reasons, one for the objectives and the second one in terms of the constitution of the Board. We have no quarrel with the objectives, Mr Speaker, Sir. In fact, this was proposed by the hon. Leader of the Opposition at a press conference and we are happy that Government takes on board, from time to time, our suggestion. This not only demonstrates the reflection, the *acuité* of the Opposition; the proposals made by the Opposition, but it also demonstrates to a certain measure the maturity of Government.

So, the objectives are being amended to finance projects for the benefit of descendants of slaves meaning the ecological and socio-economic upliftment and conduct fundraising campaigns locally and internationally for that purpose, that is good, and also conduct sensitisation campaign to motivate stakeholders to take initiatives towards the attainment of the objectives of the recommendations of the Truth and Justice Commission. So far so good, Mr Speaker, Sir! As I said, we had made those proposals some time back, we are grateful to Government that this is on board. But, Mr Speaker, Sir, in the second part of the amendment, this is where we disagree and we beg to differ with the proposal, with what is being provided for in this Bill, at page 59.

Therefore, now the law is being amended, because previously the fund was managed by a Board of Trustees. There was a Chairman who was appointed by the Minister from members of the Board. Five Members were to be nominated by the Minister and there were five representatives of socio-cultural organisations appointed by the Minister and three representatives from three different Ministries. In addition, the Board could co-opt five additional Members who were chosen from persons capable of helping in the advancement of the objects of the centre. All this is being done away with now, Mr Speaker, Sir. And what do we see? The Chairperson now is to be appointed by the Prime Minister among members of the Board without consulting either the Minister or anybody else. To add insult to injury, I must say, Mr Speaker, Sir, the Bill provides that 10 Members be appointed by the Minister after consultation with the Prime Minister. So, it is the Minister now, after consulting the Prime Minister, who appoints 10 members; the Chairperson is appointed by the Prime Minister from among those 10 members of the Board and that is the end of the matter.

True it is, down the line, we see the Chairperson and the members referred to shall be appointed from amongst members with a proven track record in initiating, taking or implementing measures for the upliftment of descendants of slaves. So, what do we see in this proposal? In theory, the 10 members could be members who are not descendants of slaves. They can be members who have a proven track record of initiating, taking or implementing measures for the upliftment.

In theory, therefore, the Board can be constituted of 10 Members who are not descendants of slaves. I think this is a multi-cultural society, Mr Speaker, Sir, where we have to take on board the sensibilities of each and everybody. In fact, there was wisdom in the previous law when the law provided for five representatives from socio-cultural organisations, Mr Speaker, Sir. The law provided that, out of the 10 Members, 5 should be representatives of socio-cultural organisations to be appointed by the Minister. It was the Minister who appointed them, but he had to appoint 5 of the members then from socio-cultural organisations, Mr Speaker, Sir.

Mr Speaker, Sir, it is the law, the Bill itself which is being proposed today, the amendment which talks of projects for the benefit of descendants of slaves aiming at the socio-economic upliftment and so on and so forth. It is the Bill itself, Mr Speaker, Sir, which talks of people. The ten members should have been persons who have initiated, taken or implemented

measures for the upliftment of descendants of slaves. So, why did not we take the precaution of providing in this law that at least a quarter, a third or 50% of the members of this Board should have been descendants of slaves? I don't think it would have offended anybody because the expressions are already used in the Bill itself.

I am sure the hon. Minister will understand my point and I think it would have been better for everybody concerned. If we wanted to change the law, to allow the hon. Prime Minister to appoint the Chairperson, he could have done so. There is no problem about that, but, at least, from the pool of ten persons among whom he had the choice to select. I humbly submit, Mr Speaker, Sir, that some of these members should have been descendants of slaves or members of socio-cultural organisations working and promoting the culture and the upliftment of descendants of slaves.

This is the point I wanted to make on this Nelson Mandela Centre, Mr Speaker, Sir. I am a bit surprised at how the Vice-Prime Minister and Minister of Finance and Economic Development allow these provisions, as they are, to be proposed and how these amendments should have been proposed to this House. I am really surprised and I am sure it must have been by oversight. I hope that the hon. Vice-Prime Minister and Government make *amende honorable*, Mr Speaker, Sir.

Mr Speaker, Sir, I come now to the Public Procurement Act.

(Interruptions)

Mr Speaker: Clause 39!

Mr Ganoo: Yes, Clause 39. As you can see, Mr Speaker, Sir, I am nearing the end.

Mr Speaker: At page 67.

Mr Ganoo: Yes, the Public Procurement Act is at page 67 and we go up to page 72, Mr Speaker, Sir. Mr Speaker, Sir, on this Bill, we can see that there are several amendments which are being proposed. Some are good and some are less good, Mr Speaker, Sir. We agree with some of the proposals and we differ with others. Mr Speaker, Sir, the procurement system in any country is vital for the reputation of that country. It is an indication of good governance, of how

transparent our institutions are and whether, in fact, the country passes the test of accountability or not. The Director of Audit, year in and year out, Mr Speaker, Sir, makes remarks about what happens in different Ministries regarding the procurement process. The hon. Vice-Prime Minister, who was the Director of Audit, I am sure, knows very well about what I am talking.

Mr Speaker, Sir, year in and year out, we hear of all the findings relating to different capital projects. I am reading from the Director of Audit's Report: 'The performance of private contractors is unsatisfactory; long delays were noted in the construction of drains; the contractor did not submit his revised programme; applications for extension of contractual time could not be produced in many cases; test results were not submitted by contractors; performance bond and insurance cover were not extended to cover the maintenance period for projects not completed on time; completion certificate, handing over, snag list and drawings could not be produced and has not been filed; in at least two cases examined, this authority accepted performance bond emanating from insurance companies while the bidding documents clearly mentioned that they must be from the banks.' I could go on and on, Mr Speaker, Sir. It is certainly not to the merit of this Government that year in and year out we hear such remarks from the Director of Audit.

We have, in fact, Mr Speaker, Sir, to revamp all our procurement institutions. This morning, there was a question addressed to the hon. Prime Minister and we are, in fact, in a very sad situation, Mr Speaker, Sir. All our watchdogs, the three most important ones, set up by law and by a Bill which was, in fact, proposed by this very Government, the Central Procurement Board (CPB), the Public Policy Office (PPO) and the IRP, all these three main institutions are, in fact, operating illegally today! 90%...

Mr Speaker: I am sorry to interrupt the hon. Member. May I just refresh the memory of the hon. Member of my earlier observation that it is my view that all these should have been said at the stage of debates on the Budget. I hope that my observation will be kindly considered by the hon. Member.

Mr Ganoo: But, Mr Speaker, Sir, I was going to say that the appointment of the Chief Executive which they are proposing, could be a good step. So, now, you can allow me to say that as this is in favour of Government?

Mr Speaker: You are very clever, hon. Member!

Mr Ganoo: This Chief Executive is going to replace the Secretary, as we can see. But we wish this institution well and I hope that this new Executive Director and the Chief Executive will, in fact, fill in or make for whatever *manquement il y avait* in the running of this institution.

But, Mr Speaker, Sir, this is not the point I wish to make. The most important point I wish to make, Mr Speaker, Sir, is concerning the IRP. There are many measures which are proposed, for example, the definition of procurement is widened. This is a good thing. The definition of procurement means more than acquisition, it means purchase, lease and so on. But when we come to the Independent Review Panel (IRP), Mr Speaker, Sir, this is where I think we take serious objections to what is being proposed. Mr Speaker, Sir, I am going strictly within the four corners of the proposal in the Bill, Mr Speaker, Sir, and I will explain why do we say that we have some disagreements with the proposals.

Mr Speaker, Sir, the law, as it is, there is provision now, the law presently provides once there is an application for review, there is a suspension to continue the proceedings and this is by virtue of section 45(4) of the Bill, Mr Speaker, Sir. So, section 45(4) of the PPA provides, Mr Speaker, Sir -

“Where an application for review is made in accordance with this section, the procurement proceedings shall, subject to subsection (5), be suspended until the appeal is heard and determined by the Review Panel.”

But, subsection (5) provides -

“The suspension provided by subsection (4) shall not apply where the public body certifies that urgent public interest considerations require the procurement proceedings to proceed.”

And the certificate must come from the Ministry certifying that, in the public interest, the procurement proceedings must proceed and this certificate, the law provides further down -

“A certificate issued by a public body pursuant to subsection (5) shall be binding on the Review Panel and the procurement proceedings shall proceed unless an application for leave to seek a judicial review is successful.”

This is what the law says, Mr Speaker, Sir. So, therefore, there was the possibility that upon request of a public body for urgent public interest, the procurement should proceed and, in such cases, Mr Speaker, Sir, unless there is a successful application for leave in respect of a judicial review, the public body will award the contract and the suspension will be removed, and the public body is allowed to award the contract. But there was some sort of control over the genuineness or otherwise of the Certificate of Urgency, Mr Speaker, Sir. Now, the amendment proposed is to the following effect: there is no suspension as such upon application for judicial review, Mr Speaker, Sir. The law is being amended and the words “unless an application for leave to seek a judicial review is successful”, these words are being removed by the proposal in front of this House today, Mr Speaker, Sir. Therefore, it is for the IRP, according to the new proposal, upon being satisfied *ex-facie* the application that there is a *prima facie* case for review, which orders the suspension of the procurement proceedings.

Mr Speaker, Sir, it is difficult in practice to judge *ex-facie* the grounds of appeal. There is the need of the IRP upon examination of the bidding documents including the evaluation report to assess the allegations found in the grounds of appeal so that, in practice, it cannot be said that the IRP can only be satisfied *ex-facie* the proceedings. Moreover, Mr Speaker, Sir, even assuming that the IRP orders the suspension, the public body can still produce a Certificate of Urgency which will be binding on the panel and the proceedings will continue and, in practice, the contract will be awarded. What all this means, Mr Speaker, Sir, is that if the contract has already been awarded and the application is found to have merit before the IRP, the only remedy left to the applicant who has applied to the IRP is to be granted a compensation in relation to the recovery of cost and he has lost, in fact, the tender.

Mr Speaker, Sir, the point I wish to make is that this amendment constitutes a bar to access to appeal procedures to aggrieved bidders. This amendment, Mr Speaker, Sir, according to me, smells foul. The solution would have been, Mr Speaker, Sir, in case of urgency, the law could have provided that the IRP should work on a fast track basis and should have given its ruling in one week or in 15 days and this is how, in fact, the solution, Mr Speaker, Sir, to the problem.

Mr Speaker, Sir, so I am repeating what I am saying. The amendment constitutes a bar to access to appeal procedures for aggrieved bidders to the IRP. Another bar in the amendment, Mr

Speaker, Sir, is the several items of deposit requested to aggrieved bidders which have been inserted in the law by stages. In 2008, when the law was passed, there was only one provision of a refundable deposit which would be forfeited only in applications found to be frivolous and I can tell the hon. Minister that in no case has the IRP forfeited any deposit on the grounds that the application is frivolous. So, I say it again, initially in 2008 there was provision for a refundable deposit and this was Rs50,000 for major contracts and Rs10,000 for minor contracts.

Mr Speaker, Sir, in December 2012, the law was amended by the Finance Bill and this Bill introduced another one, a second non-refundable processing fee additionally to the security deposit already existing. It was an amount of Rs5,000. This amount increased in July 2013, by way of regulations, from Rs5,000 to Rs50,000, Mr Speaker, Sir. Now, it is proposed, in the amendment, that provision is made. If you have read the proposal, Mr Speaker, Sir, the amendment is to the effect that 50% amount will be forfeited when there is no merit in the application.

The law does not talk of frivolous now; the proposal talks about when there is no merit in the application, 50% amount deposited by the aggrieved bidder will be forfeited. Mr Speaker, Sir, all these hurdles placed on the road of the aggrieved bidder by stages, indicate that there is a tendency to discourage the aggrieved bidder to appeal and to seek relief and redress to the IRP, Mr Speaker, Sir, and finally, we find it also a missed opportunity when the law provides that the recommendations of the IRP are not binding. We would have thought that the hon. Minister should have amended the law to ensure that the recommendations of the IRP, Mr Speaker, Sir, should have been binding and not merely recommendations. So, the law should have been amended. This point has been made a few times here, in this House, by the Opposition and the other countries in other jurisdictions, from my understanding, Mr Speaker, Sir, in other African and Commonwealth countries, recommendations made by IRP who seek, that is, when aggrieved bidders seek relief or solace from the IRP, when they make an appeal, Mr Speaker, Sir, is that the recommendations of the IRP are binding or as in our jurisdiction, it is not the case and I would have hoped that, again, on this score, the Government also rectifies the situation.

Mr Speaker, Sir, the last, but one point I wish to make now is concerning the Planning and Development Act amended, clause 35. Again on this, Mr Speaker, Sir, very briefly, the hon. Minister could have also enlightened us why is this law being amended in this direction. There

is a whole Schedule, a whole part, part 5(a), and the Third Schedule of the Planning and Development Act, Mr Speaker, Sir, is being amended. The Land Productivity and Enhancement Scheme, the whole part 5(a) of the Planning and Development Act is being repealed, and the Third Schedule also. This is what is commonly known as the LPES, and this was, in fact, introduced by the Government itself. This is an amendment brought to the law, introducing the Land Productivity Enhancement Scheme, and today Government is doing away with that Scheme, Mr Speaker, Sir.

Mr Speaker, Sir, some time back, this very House amended the SIE Act, and the hon. Minister of Agro-Industry and Food Security introduced the amendment to the Bill. I remember I made a remark concerning the LPES. I queried the hon. Minister, and reminded him that the LPES was *un grand pas en avant*, because it was to provide a platform for matching demand and supply, and for removing impediment for the use of land for commercial, industrial and business purposes. The LPES was a positive measure, but it, unfortunately, never saw the light of day. The measure, Mr Speaker, Sir, was announced, but never, in fact, implemented. So, today, it would seem that the LPES is a stillborn child, and before even seeing the light of day, as I said, before being given a chance to function, *c'est un enterrement royal* that we are giving to this LPES. I think it is a retrograde measure for our planning and development in this country.

Mr Speaker, Sir, I come to the last remark that I wish to make...

(Interruptions)

I said last but one. So, this is the last one. Clause 42, Mr Speaker, Sir, the State Lands Act amended, at page 74, is amended by adding the following provision, and I think the hon. Minister also made reference to that amendment. Mr Speaker, Sir, this is the measure which was announced in the Budget, providing for the possibility of the Minister to sell to any lessee who is occupying a portion of State land for Rs2,000, and the Budget talked about 17,000 families. Today, in the Bill that is before this House, the law has provided that the extent of the State land should not exceed 422m², *c'est-à-dire dix perches*. Mr Speaker, Sir, I am very happy about this measure. In fact, Government is translating the measures announced in the Bill today. Mr Speaker, Sir, I said I am very happy because, in fact, I was the first Member in this House, since 2005, to have proposed that, and I am very happy that the hon. Minister has taken this on board.

Mr Speaker, Sir, I am now blowing my own trumpet, but *je rends hommage à la vérité*; not only in 2005, but also in 2007, in 2008, in 2012. I have all the questions. In 2012, I went even to say ‘the sale of old building sites less than 10 *perches*.’ I have even indicated what should be the extent of the land; there is Hansard in my hands, Mr Speaker, Sir. It was in 2012, when I made my intervention. But it is a good thing. I am very happy that the hon. Minister came up with that measure, Mr Speaker, Sir. I suppose, in a second stage, we can think about over 10 *perches*, up to 15 *perches*. If somebody is occupying 12 *perches*, for example...

(Interruptions)

Mr Speaker: Some order, please!

Mr Ganoo: *L'enfant prodigue a toujours besoin des idées prodigues.*

(Interruptions)

Des idées prodigues de quelqu'un d'autre! This is a first measure. I am sure time will come, because there are other lessees also occupying 11 or 12 *perches*.

(Interruptions)

But, already, I can tell hon. Members that the lessees are thinking of means and ways to bypass that. If somebody is on 12 *perches*, he will excise five *perches* and give it to his son or daughter, and both of them will qualify. Anyway, this is a positive measure, Mr Speaker, Sir, and I am very glad that, once again, Government took on board a proposal of the Opposition.

Having said this, Mr Speaker, Sir, I apologise if I took too much time of the House.

(Interruptions)

Mr Speaker: Order! I said Order! Allow the hon. Member to finish!

Mr Ganoo: But I am making up for the fact that I did not get the chance to intervene at Budget debates, Mr Speaker, Sir.

With these words, I have done, Mr Speaker, Sir.

(6.08 p.m.)

Mrs S. B. Hanoomanjee (Second Member for Savanne & Black River): Mr Speaker, Sir, unlike my colleague, I would like to be very brief. I will not cover the issues that have already been dealt with by my colleague, hon. Alan Ganoo. I will deal with some four or five issues, which I consider to be very pertinent.

Mr Speaker, Sir, when I look at the objects of these Bills, it is clearly stipulated that they provide, I quote –

“(...) for the implementation of measures announced in the Budget Speech 2014 (...)”

But when I look at the numerous pieces of legislation which have been circulated for amendment, they contain also measures which were not in the Budget Speech, but which Government feels they can - we call it - *glissent tranquille*, without drawing too much attention on them.

(Interruptions)

This has always been done! There are measures which are not in...

Mr Speaker: Hon. Member, it is not my wish to interrupt you, but this is a very serious language you are using, because this Bill will become law. So, we have to be careful.

Mrs Hanoomanjee: Mr Speaker, Sir, this has always been done, but it is there because I am going to intervene on measures which were not in the Budget Speech, but which are in the Economic and Financial Measures Bill and in the Finance (Miscellaneous Provisions) Bill.

Let me start with one of them, a subject which has always been very close to my heart and for which I have always made my voice heard in this august Assembly, that of the small planting community.

Mr Speaker: Which Bill?

Mrs Hanoomanjee: Mr Speaker, Sir, I am referring to page 74...

Mr Speaker: But which Bill? There are two Bills!

Mrs Hanoomanjee: The Economic and Financial Measures Bill, page 74, clause 43, the SIE Act. Although the Budget Speech, as I said, was completely silent on this issue, I was agreeably surprised to observe that the SIE Act was again being amended in section 28. In section 28, clause 43 of the Economic and Financial Measures (Miscellaneous Provisions) Bill, it is stipulated that a new subsection is being added under section 28 of the SIE Act.

Mr Speaker, Sir, the hon. Minister of Agro-Industry and Food Security has, after less than six months, realised ...

Mr Speaker: Are you on page 74?

Mrs Hanoomanjee: Yes!

Mr Speaker: You said 43, Sugar Industry Efficiency Act. It is page 74, clause 43.

Mrs Hanoomanjee: The hon. Minister of Agro-Industry and Food Security has after, I would say, less than six months, realised that he was wrong and I was right. It is not blowing my own trumpet, but just to set the record right.

Mr Speaker: I don't want any trumpet in the House, please. It makes too much noise.

Mrs Hanoomanjee: In fact, he was penalising the small planters. First, those who owned less than 10 *arpents* and who could not, for one reason or the other, occupy the agricultural land and had had to abandon it. The amendment he brought in June last would not have allowed them to convert their land into non agricultural land, in spite of the fact that their land was abandoned for 10 years or more. And secondly, the minimum size plot for subdivision of land for agricultural purposes, which was at 10 *perches*, was then brought to 50 *perches*. This is the existing legislation.

The hon. Minister of Agro-Industry and Food Security was convinced that these measures would bring back abandoned agricultural lands to agricultural use, but, Mr Speaker, Sir, at least, today, I can say that the hon. Minister of Agro-Industry and Food Security, very often, pretends not to hear what I am saying, but he does listen very discreetly.

(Interruptions)

I should say it, very discreetly, because this is the reason that we have today the piece of legislation that we have in front of us - because I have observed this on several occasions. There was one occasion where the MSPCA Act was amended...

Mr Speaker: No, no! I will not allow you. Limit yourself to section 43!

Mrs Hanoomanjee: Finally, Mr Speaker, Sir, regarding the amendments he brought in June last, I told him that with these two measures he was penalising the small planters and I could not understand the rationale behind his decision, and I humbly requested him to review his decision. Well, at that time, I should say, he refused to listen, but now, at least, he has realised that he was wrong. And if we look at clause 43 of this Economic and Financial Measures Bill, he has amended again the SIE Act and he has reviewed all his previous decisions. Just look at what has been said in the amendment: 'Notwithstanding the other provisions of this Part –

- (a) any application in respect of any extent of land by the owner (...) shall be dealt with and processed as if section 8(a) of the Sugar Industry Efficiency (Amendment) Act 2013 had not come into operation.'

So, he is deleting the existing provisions.

Again, at section (b), he says –

'any application in respect of land, of an extent not exceeding 50 *perches*, forming part of an agricultural morcellement (...) shall be dealt with and processed as if that Act had not come into operation'.

Mr Speaker, Sir, allow me, in spite of the fact that hon. Minister Faugoo is not here, I wish to thank him for coming up with these proposals. He has done it very discreetly, but I hope that in future he will at least...

Mr Speaker: He will listen to the hon. Member!

Mrs Hanoomanjee: ...acknowledge my suggestions. At least, acknowledge that we have constructive suggestions. Mr Speaker, Sir, we should be recognising that the small planters are going through very harsh times. I am coming now to the MCIA Act, which is in the Finance (Miscellaneous Provisions) Bill. I am sorry....

Mr Speaker: It is alright. Proceed!

Mrs Hanoomanjee: On page 39, clause 13.

Mr Speaker: Yes, the Finance (Miscellaneous Provisions) Bill, clause 13 at page 39.

Mrs Hanoomanjee: Here, again, the Minister has finally realised that, through the amendments he brought, he had acted against the interests of small planters. In the MCIA Act of 2012, he reverted to a decision which was taken in 2010 by the then Minister of Finance, regarding contribution to the MSS ...

(Interruptions)

I am not joking. I am talking seriously. I'm sorry! It regards contribution to the MSS...

Mr Speaker: Please! The hon. Member should listen.

Mrs Hanoomanjee: ... and that this be not restricted to the sale of molasses only and should include production of potable alcohol from other sources, including cane juice. That was in the legislation which was brought in 2010. Now, Mr Speaker, Sir, we all know that today potable alcohol is produced not only from molasses but also from cane juice. So, it stands to reason that restricting the contribution to molasses only as was done in the MCIA Act of 2012, which is now being amended, it led to a situation where the small planter was a '*grand perdant*'. So, today, I am glad that the Minister of Agro-Industry and Food Security is proposing to go back to the original provision which was there in 2010, which was presented by the then Minister of Finance, hon. P. Jugnauth.

I, again, thank hon. Minister Faugoo for recognising that his decisions would have caused harm to the small planting community and I thank him for coming again on his decisions and taking it in the interest of small planters.

Mr Speaker, Sir, I will now mention another major amendment which is being brought to the Civil Service Family Protection Scheme Act. It is on page 4 of the Finance (Miscellaneous Provisions) Bill, clause 3.

Mr Speaker: Civil Service, clause 3, yes.

Mrs Hanoomanjee: Again, this was not mentioned in the speech of the Minister of Finance and Economic Development. This amendment, Mr Speaker, Sir, concerns thousands of civil servants recruited on or after 01 January 2013. The rule of the game is being changed radically.

(Interruptions)

Mr Speaker: Clause 3, page 4.

Mrs Hanoomanjee: Clause 3. The Finance (Miscellaneous Provisions) Bill, the Civil Service Family Protection Scheme Act. As I said, the rule of the game is being changed radically against the interests of those civil servants inasmuch as benefits to be derived by their families after their death are concerned. As per the existing provisions, future benefits are known in advance, based on the last salary drawn at the time of retirement. But, here again, the rule of the game is being changed unilaterally. Before coming to this House, I should have felt that this amendment should have been discussed with trade unions, but it has not been. What is the Civil Service Family Protection Scheme? As at present, the Scheme gives the surviving spouse a guarantee for a fixed pension based on the former salary of the deceased spouse.

Mr Speaker, Sir, somebody who joined the Civil Service on 01 January 2013, had legitimate expectations as regards future benefits for his or her family. Now, not only the rule of the game is being changed, but it is backdating it as from 01 January. I know the Pensions Act was amended, but now, Mr Speaker, Sir, the person who joined the Civil Service on 01 January 2013, did so, based on the benefits he would derive during his years of service at the time he would retire and also benefits for his or her surviving spouse. He could have chosen at that time not to join the Civil Service, but he has been, maybe guided by the fact that he would, at the end of his service, derive a pension and that he would be guaranteed a certain amount of pension and that his or her spouse would be guaranteed that pension after his death.

Mr Speaker, Sir, now with the proposed amendment, benefits would depend on how the civil servants' contribution shall be administered and operated. Nothing is being said as to the *modus operandi* of the Scheme. It is being stated at clause 3 of the Bill that the benefits shall be computed in such manner as may be prescribed. So, for such a crucial change, no details are being provided. Civil Servants are compelled to contribute to that scheme and they are now

being kept totally in the dark as to how their contribution would be managed and what benefits would accrue to them.

Mr Speaker, Sir, I have been able to secure a copy of a circular letter which has been addressed by the Treasury to Ministries and I should say that this is very worrying for civil servants. Look what is said in this circular letter! It is said under a heading: “Design of the Defined Contribution Scheme”. The Defined Contribution Scheme is a scheme which we are voting today, the amendment which is being brought today. So, look what is said! It says –

“Therefore, under a defined contribution scheme, usually the pension benefit at retirement is not known in advance, as it will depend on the level of contributions made which in turn depend on the salaries of each employee during his employment.”

This is fair enough!

“The level of investment returns earned on those contributions and the cost of converting the sum built up into a pension at the time of retirement.”

I feel this is very, very worrying. Under another heading in this circular, it is said “Investment of the Fund”. I quote, it says –

“Another critical factor in a defined contribution scheme is the investment rate of return earned on the contributions.”

The investment rate of return earned on contributions which is a factor which nobody knows!

“When projecting benefits, it is important to bear in mind the sensitivity of projected benefits to changes in the long-term investment return assumed.”

This is very important, it says –

“As such, the projections are not guaranteed.”

So, if the projections are not guaranteed, how can the civil servant be guaranteed, his Family Protection Scheme at his death...

Mr Speaker: Yes, but it would not be correct if you wait for the contributions and the benefits to be computed in a manner as may be prescribed, your comments may be premature. Let us wait for the prescribed method of computation and then you can compare. But, at this stage, we don't know yet what is going to be prescribed. I am saying it for...

Mrs Hanoomanjee: Yes. But, Mr Speaker, Sir, the rate of contribution of the civil servants has been increased in the amended legislation from 6% to 12%.

Now, he is contributing. What will happen if ever the Fund crashes?

Mr Speaker: No, this is a different matter.

Mrs Hanoomanjee: We don't know! There have been cases of major fraud in the NPF, siphoning of millions of rupees.

Mr Speaker: No, these arguments could have been taken on the general debate...

Mrs Hanoomanjee: No, no, but it was...

Mr Speaker: ...on the budget.

Mrs Hanoomanjee: No, no, sorry! Mr Speaker, Sir, I bow to your ruling, but then this was not in the budget. It is now in the amended piece of legislation, but was not in the budget at all, otherwise I would have intervened personally on this issue, but it was not in the budget. It has now been included. When I look at the amendments which are being proposed, I see that it is there, it has been included in the amendments. That is why I am making my point heard on this issue and I wish to say also that this has been done unilaterally; there have not been any discussions with the unions.

(Interruptions)

In spite of the fact that it is in the PRB, it was not said in the budget; it is in the amendment there. My feeling is that it should have been discussed with the relevant trade unions before we come with these amendments, because it concerns thousands of civil servants and civil servants have always had their pensions guaranteed.

They know already when they join the Service, at the time of retirement how much they would earn. They know already at the time they join the Service what would happen if they die or even after retirement what the surviving spouse would get. Now, there is uncertainty.

(Interruptions)

There is uncertainty on this issue, I should say.

Mr Speaker: The hon. Member has made her point! Please proceed!

Mrs Hanoomanjee: Now, Mr Speaker, Sir, I come to clause 12 of the Economic and Financial Measures (Miscellaneous Provisions) Bill at page 26.

Mr Speaker: Is it about Electricity?

Mrs Hanoomanjee: It is the Electricity Act on page 26.

Mr Speaker: Yes.

Mrs Hanoomanjee: On this issue, Mr Speaker, Sir, amendments which shall be brought stipulate that sections 10 to 14 of the Electricity Act shall not apply. Mr Speaker, Sir, let us see what do sections 10 to 14 of the Act stipulate. They relate that –

- (1) The maximum price to be charged by undertakers for electricity supplied (...);
- (2) The tariffs (...) vary for different areas;
- (3) There could have been an investigation into the account of an undertaker.

The sections would not be applicable to the specified undertakers and another amendment is being proposed to provide for still more leeway for other exceptional generosity.

Having said this, Mr Speaker, Sir, I can understand that sections 10 to 14 could not be applicable as they are because they relate to undertakers who are supplying the CEB grid. That is why the elements in those sections could not be applicable. Still, Mr Speaker, Sir, the question that I am asking is: can the Vice-Prime Minister tell us what is being proposed to regulate the electricity activity of an undertaker to his tenants? If an undertaker is being discharged from all scrutiny, be it on tariffs being charged or on accounting responsibilities, where is the regulatory framework within which he is going to operate? *Qui va protéger les intérêts des consommateurs qui vont être fournis en électricité par le promoteur?* I hope the Vice-Prime Minister, Minister of Finance and Economic Development can give us some clarifications on this issue.

Now, I come to clause 26 of the Investment Promotion Act in the Economic and Financial Measures (Miscellaneous Provisions) Bill regarding the Fast-Track Committee which, I think, is on page 50.

Mr Speaker: Yes, proceed!

Mrs Hanoomanjee: Paragraphs 173 to 176 of the Budget Speech had quite a forceful language on the establishment of this Committee this time to have wide powers and which was meant to allow some Rs20 billion of investment to materialise. It was stated, and I quote –

“173. The Prime Minister has decided to set up a Fast-Track Committee under the Chairmanship of the Financial Secretary to expedite the processing of all permits and approvals concerning major big-impact investment projects.”

But, Mr Speaker, Sir, I can recall that the Prime Minister had instituted sometime in October 2011 a High-Level Project Monitoring Unit specifically to expedite processing of permits and other authorisations in relation to investment projects. I also recall that, at one point in time, shortly after its institution, that Unit announced that it had expedited about ten projects worth investment of Rs20 billion.

We do not know what has happened to that Unit and what have been its achievements. Now, I believe this is the same thing which is being done, but with a different name and the Committee has shifted from the Prime Minister’s Office to the Office of the Minister of Finance and Economic Development. So, contrary to what was projected, and as it is in the amended legislation, maybe I am wrong; the Vice-Prime Minister can enlighten us on this issue. The Committee, according to me, would not be able to challenge the decisions of the Ministry of Environment and Sustainable Development and the Ministry of Agro-Industry and Food Security, but what is said in this legislation is that, and I quote –

“It can only apprise the Minister of the status of the large investment projects.”

So, at the end of the day, what can this Committee achieve? If it does not have the powers to impose either on the Ministry of Environment and Sustainable Development or on the Ministry of Agro-Industry and Food Security and it can only apprise the Minister? *C’est un bouledogue sans dents!*

(Interruptions)

Vous êtes en train de dire que cela va mordre, but I am just wondering whether this Committee will not have the same fate as the LPES which was announced in the Budget Speech 2011!

(Interruptions)

Or, whether again it will not remain *un effet d'annonce!*

(Interruptions)

Let us see!

Mr Speaker, Sir, I come now on clause 3 of the Economic and Financial Measures (Miscellaneous Provisions) Bill.

(Interruptions)

Mr Speaker: Some silence! Is it the Banking (Amendment) Act?

Mrs Hanoomanjee: Yes, that's it. Sorry, it is the Bank of Mauritius Act rather, clause 2 on page 8.

Mr Speaker: Yes.

Mrs Hanoomanjee: The Economic and Financial Measures (Miscellaneous Provisions) Bill.

Mr Speaker: Is it on page 8?

Mrs Hanoomanjee: Yes.

Mr Speaker: I don't find it! It should be on page 11, the Banking Act amended.

Mrs Hanoomanjee: Yes, it is the Banking Act amended because it is a section where section 48 of the Bank of Mauritius Act is being repealed.

Mr Speaker: Where is that?

Mrs Hanoomanjee: I see in the heading it is clause 2 with the Bank of Mauritius Act amended. It is on page 8, Mr Speaker, Sir. You will see the subsection (e) which says: "by repealing section 48 and replacing it by the following section."

I have noted, Mr Speaker, Sir, that by repealing this present section 48 of the Bank of Mauritius Act and replacing it by a new section 48, the present provision under subsection (4) has been completely removed. The existing provision stated that: "no credit", under subsection (3), "shall be granted unless the credit is secured by such adequate collateral as may be approved by the Bank". That was the existing provision. But, now that, that section is being amended, can

I understand that there will be no collateral at all? I wish the Vice-Prime Minister will be kind enough to shed some light on this aspect.

Finally, Mr Speaker, Sir, at page 40, the Finance (Miscellaneous Provisions) Bill, clause 15 deals with the *Morcellement Act*.

Mr Speaker: Which Bill? The Finance (Miscellaneous Provisions) Bill?

Mrs Hanoomanjee: Yes. Clause 15 of the Finance (Miscellaneous Provisions) Bill. It concerns the *Morcellement Act*, at page 40. So, Mr Speaker, Sir, the *Morcellement Act* is being amended and I would have thought that the hon. Minister would take that opportunity to amend another section of the *Morcellement Act* because the hon. Minister of Housing and Lands had, in reply to a PQ, mentioned that he is coming with amendment to the *Morcellement Act*. But, this time, I note that in the case of residential *morcellement*, the hon. Minister, - well, it is not the Minister of Finance and Economic Development, but the Minister of Housing and Lands - has gone the other way around. Earlier, I mentioned cases where the law is being amended for issues which were not mentioned in the Budget Speech and in the case of residential *morcellement* projects, announcement was made in the Annex to the Budget Speech, and I quote -

“Promoters of a *morcellement* are currently allowed, upon receipt of a Letter of Intent from the *Morcellement Board* and after furnishing a bank guarantee, to take deposits from prospective buyers to finance the estimated value of infrastructural works.”

Well, now I see that there is an amendment in the *Morcellement Act*, but it is only regarding fees. I can't see any related amendment to what had been said in the Budget Speech. I can't see anything which makes provision to what was announced, but I would have expected that Government delivers on its announcement; especially, taking into account, Mr Speaker, Sir, that I raised the issue of a particular promoter who after having obtained his Letter of Intent without a land conversion permit and other clearances was already taking deposits. And the more so, when I raised that issue, the Minister of Housing and Lands, in reply to a PQ, stated that the law is being amended to address this thorny issue. *Mais je regrette que je ne vois rien dans la loi qui puisse mettre en exergue ce que le ministre avait dit. Je ne sais pas s'il y a des pressions, mais je ne peux pas dire.*

Mr Speaker, Sir, those are the issues I had to raise. I hope that the hon. Vice-Prime Minister, Minister of Finance and Economic Development can kindly give us some clarifications on the issues I have raised.

I have done, Mr Speaker, Sir. Thank you.

Mr Speaker: Yes, thank you. Hon. Uteem!

(6.43 p.m.)

Mr R. Uteem (Second Member for Port Louis South & Port Louis Central): Thank you, Mr Speaker, Sir. We are today debating two highly technical Bills and, I said it before and I repeat it, it is very difficult for hon. Members of this House to understand and follow all that is being done to this technical Bill which even the most seasoned practitioner, I have to admit, finds it difficult to find all the sections. And it is for this reason that I welcome the initiative of the hon. Vice-Prime Minister this year to circulate an Explanatory Note on the two Bills which, I think, is a very welcome initiative. Unfortunately, he circulated that late in the day today. I hope that other Ministers of Finance in the future take this as a good example and circulates Explanatory Notes well in advance so that all hon. Members, even those who are not intervening on the Bill, can follow and understand what every section in these two highly technical Bills is trying to secure.

As every year, a lot of the budgetary measures found their way to these Bills. Some announced budgetary measures do not, because after consultation they are dropped or postponed, but, very often, other measures which were not announced in the Budget find their way in. And their own independent separate Bill to be fully debated because some of the amendments that are being brought even today are very far-reaching and have far-reaching consequences and deserve more focus than just to be lumped with 30 other amendments.

One of the most controversial provisions which were supposed to be introduced in the Economic and Financial Measures (Miscellaneous Provisions) Bill relating to new powers being given to the Financial Intelligence Unit has been dropped. I saw the amendments circulated by the hon. Vice-Prime Minister, Minister of Finance and Economic Development and I welcome this, because it causes a lot of uncertainty. I have mentioned it myself during my Budget

intervention that a lot of the measures that were announced were good measures, but some of them sent a chill down the spine of practitioners, especially in the offshore sector and among the legal profession. Namely, that it was proposed at one point to give the FIU the power to come, search and seize equipments, computers which would contain confidential and privileged information. So, I am glad that the hon. Vice-Prime Minister, Minister of Finance and Economic Development took this on board and instead of the FIU having this supervisory role, it will now be the Body governing each profession which will have this power to go and regulate the Body falling under its jurisdiction. We have, on this side of the House, concerted so that there is no duplicity in what we are going to intervene on. Hon. Ganoo has intervened on most of the provisions of the Bill. I would intervene on one or two provisions. The main provisions would be of the Finance (Miscellaneous Provisions) Bill which would be tackled by hon. Li Kwong Wing.

In fact, for the Finance (Miscellaneous Provisions) Bill, I would limit my intervention to only one clause which is clause 30 of the Bill. This is the clause which was not mentioned in the Budget Speech, not even in the Annexes and it has very far-reaching consequences. Section 30, the amendment to the Value Added Tax Act, first of all, on page 67, subsection (e), there is a purported amendment to section 24. Again, I am glad that the hon. Vice-Prime Minister, Minister of Finance and Economic Development is coming with amendments at the Committee Stage to remove this requirement that we had to satisfy the Director-General that we were going to have taxable supplies over the next five years equivalent to the value of the capital investment. It is quite difficult to get because it's the rate of return of 20% which not all companies, certainly not the SMEs and other companies, can match this.

The amendment has been proposed and we welcome it. But still what is being proposed, in our opinion, will create some uncertainties inasmuch as power is still given to the Director-General to assess what is the excess. He can give allowance in whole or in part. He can also transfer the excess to be set off in future years. So maybe we would need some clarifications as to when and under what circumstances the Director-General would be able to delay the granting of exemption for input of VAT.

But, more importantly, Mr Speaker, Sir, and in my opinion more dangerously, is the amendment which is sought to be brought to section 12 of the Value Added Tax Act which is on

page 66 of the Finance (Miscellaneous Provisions) Bill. We are going to amend section 12. Now, what does section 12 deal with?

Section 12 gives you the basis for taxation that is imposed on the taxable supplier. What does that mean? It means that if you go in a shop and you buy a shirt for, let's say, Rs100, you pay 15% VAT on that Rs100. So, you pay Rs15. If it is not a monetary value, then you assess it on the open market value. Very certain is very clear cut! Now, what this amendment sought to introduce is an arbitrary concept that the Director-General of the MRA, instead of charging you 15% on the price of the good, they will charge you 15% on such price as the Director-General may determine. Instead of charging you 15% on the open market value of the good, it would be or such other values as the Director-General may determine. So, if you go on a sale and there is a shirt which is Rs1,000; you buy it for Rs100, the Director-General can come and say: 'no, I am going to assess you on 15% VAT not on the Rs100 that you bought, but on the true value of Rs1,000. So, what would happen? The MRA has four years to assess you. The supplier has already filed its return. The customer has already bought a shirt, after four years, the Director-General then comes, assesses and says: 'You know I am assessing the value of this good, it is not Rs100; it is such amount as I, in my absolute unfettered discussion, determined'. Isn't that dangerous, Mr Speaker, Sir? Isn't that a disguised way of changing, altering the rate of VAT? Isn't that going to create uncertainty? I would invite the hon. Vice-Prime Minister, Minister of Finance and Economic Development to revisit this section because unless you have clear objective criteria under what circumstance can the Director-General alter the market value or the actual price of this good, it is going to create a lot of uncertainty for the business community and it is very difficult to apply in practice. This is what I had to say on the Finance (Miscellaneous Provisions) Bill.

I would now turn to the other legislation, Mr Speaker, Sir, which is the Economic and Financial Measures (Miscellaneous Provisions) Bill and I would start by reiterating what hon. Mrs Hanoomanjee has just stated and just like I am confused about the powers given to this New Investment Project Fast-Track Committee. On page 50 of the Budget Speech, the hon. Vice-Prime Minister, Minister of Finance and Economic Development stated, and I quote –

“This measure should result in Rs20 billion worth of additional projects over the next few years.”

I was hoping to see real powers given to this Investment Project Fast-Track Committee. I was hoping that they would be given decisional powers, but, as it is, section 26 of the Investment Promotion Act which is being amended on page 50 of the Bill, it is still the same public agency who will deliver the licence. So, it is still going to be the authority under the Sugar Efficiency Act, the authority under the Environment Protection Act which is going to deliver the licence. If they don't deliver the licence within the specified stipulated statutory period, then the agency informs the fast-track Committee. Again, what does the Fast-Track Committee do? Is it sitting as an appellate jurisdiction? No, there is nothing in the Bill which mentions that it has appellate jurisdiction. Is it going to put pressure on the agency? Again, no such power is given to it. The only power which is given to it under the law for the time being is that it can inform the Minister about the state of affairs. This draws the hon. Vice-Prime Minister, Minister of Finance and Economic Development to decide and I still can't understand if the law says that one agency is the one who delivers the licence and the law says that there is an appellate structure. If you are not satisfied, you do an appeal which is prescribed in that legislation; how will the hon. Minister or the Investment Project Fast-Track Committee bypass what is in the law to facilitate these major projects? I am also eager to listen to the hon. Vice-Prime Minister, Minister of Finance and Economic Development in his summing up, maybe he can enlighten us about how this Committee will work in practice.

Mr Speaker, Sir, one of the themes that was alluded to in the Budget Speech was about the measures to be taken following the various Ponzi schemes that have caused hundreds of, if not thousands of people in Mauritius to lose Rs100 m. and in the Budget Speech, the hon. Minister, at page 23, paragraph 214, stated –

“To this end, we are -

- Setting up a Serious Fraud Office and a Coordination Committee among all agencies combating financial crime;
- Redefining the term “financial crime” to capture an offence under the various existing Acts and banking laws;”

Again, in its Annex on page 16 under the measures to be introduced: Ponzi schemes –

“In the wake of the recent Ponzi scams, the following amendments will be brought to strengthen our legal framework and deter fraudulent persons to carry out illicit activities -

- A Serious Fraud Office together with a Financial Crime Coordination Committee (FCCC) will be set up.
- The Criminal Code will be amended to prohibit the conduct of Ponzi/Pyramid schemes”

Mr Speaker, Sir, I have gone through all the various sections and nowhere is this Serious Fraud Office to be found. Nowhere is the Financial Crime Coordination Committee to be found and nowhere is the Criminal Code being amended to prohibit the conduct of Ponzi/Pyramid schemes. On the other hand, what is being proposed - and that was set out in the Budget Speech as well -

“To provide for the Bank of Mauritius to license all moneylenders and cooperatives credit unions managing funds beyond a certain threshold.”

Now, this is all very well, Mr Speaker, Sir. So, we are going to give the power now to the Bank of Mauritius to licence moneylenders. Unfortunately, Mr Speaker, Sir, very often even if you have all the best intention in the world, when you bring amendments, you may not have thought of the consequences of the amendments. So, today, we are voting in the Economic and Financial Measures (Miscellaneous Provisions) Bill, a new amendment to the Banking Act, section 2 which will have a definition of moneylender and section 45 of the Bill repeals the Moneylenders Act and repeals the Regulations made under the Moneylenders Act. The Moneylenders Act, Mr Speaker, Sir, was a full-fledged self-contained legislation. Today, by the stroke of a pen, the Bill that we are introducing, we are eliminating a whole legislation without replacing it by adequate measures that were contained in the Moneylenders Act 1959.

First of all, Mr Speaker, Sir, if we look at the definition of Moneylenders Act under the amendments being proposed and the one under the Moneylenders Act, it is almost identical. So, we are talking of the same type of person, but the difference this time is that we are giving the power to the Bank of Mauritius to licence the moneylenders. Previously, in order to get a licence you needed to have a certificate issued by a Magistrate. So, only a person of good character, who could have convinced a Magistrate that he is a fit and proper person to lend to people, was given this Moneylender’s Certificate. Then, the Moneylenders Act provided what had to go in an agreement being entered between a moneylender and a customer or the measures to protect a borrower from loan sharks because that was what this legislation was aiming at. Loan sharks! The Moneylenders Act also provided instances where you could not charge more interest than the market rate. You could not compound interest.

There was power given to the Court to re-examine the whole contract, and all this, by a stroke of the pen, is now being struck out. Nothing is being provided in the Act for the time being. Nothing is being provided in the Act as to what could happen to the existing contract that has been entered into by a duly licensed moneylender and a borrower. If this contains unfair terms, can the borrower still go to Court, and ask for a revision of the contract? No! Because the Act will be repealed once it is voted today. I really hope that there is some consequential amendment to save all these contracts, to save all the licences that have already been issued.

More importantly, Mr Speaker, Sir, the Moneylenders Act contains a series of exempt persons; persons who could lend money without requiring a licence. In the context of the financial sector, the offshore sector, the global business sector, that was very important. I remember, a few years ago, in 2001, I think, the then Minister had to enact a regulation specifically to exempt offshore companies from the requirement of the Moneylenders Act. Any person who was required to be licensed under the Financial Services Development Act, as it was then known, was exempt. Why? Because in a lot of international transactions, we have what we call special purpose vehicle; a company that is incorporated, licensed in Mauritius, for the sole and only purpose of lending money. They receive money and they lend money to a project. So, they are in the business of lending money, because they don't do anything else than to lend money to the project.

There was a legal opinion issued by QCs and very senior members of the Bar, who stated that they needed to be licensed under the Moneylenders Act. The law was amended by regulation to exempt them from this requirement. Unfortunately, today, when we are, by a stroke of a pen, repealing this legislation, no provision is being made for the exemption of global business companies and other entities which were exempt from the provisions of the Moneylenders Act. Again, I see that powers are given to the Bank of Mauritius to issue guidelines. I hope that the Bank of Mauritius will issue guidelines very quickly to plug the hole that is being created by the fact that we are repealing the Act today.

Since I am on the Bank of Mauritius, may I take the House to an amendment that is being provided in section 52 of the Bank of Mauritius Act, on page 10 of the Economic and Financial Measures (Miscellaneous Provisions) Bill? Section 52, Mr Speaker, Sir, deals generally with the duty of confidentiality. Information relating to customers and banking business is confidential.

Information which a customer provides to its bank - personal details, bank balances - is confidential. Then, there are a series of exemptions. The general rule is that banking information is confidential, and you need a Judge in Chambers' order to disclose secret banking information. Then, there are exemptions. It is very important, before we expand the limit of exemption, to bear in mind what was said by the hon. Chief Justice, Yeung Sik Yuen, who was then Senior Puisne Judge in 2005, in the case of Technology Soft Corporation against ICAC. He very succinctly summarised the situation when it comes to bank secrecy, and I quote –

“The general rule is that confidentiality is the very foundation of business, and more specially in the financial services sector. Justification for confidentiality ranges from capital flights, from the risk of war or government to exchange control and protection from legal judgements. But, confidentiality, while being the main strength of the offshore industry, is also its greatest weakness. A control of the offshore sector is, therefore, necessary in the public interest, since it preserves and promotes the integrity of that sector. Confidentiality should, therefore, not be invoked to shield criminal activities which undermine economic and political stability. There is, therefore, a duty of everyone involved in the offshore sector to act responsively, so that no fishing expedition for information, which is otherwise protected, be undertaken and disseminated on mere suspicion.”

I think it cannot be more succinctly put than as the then Senior Puisne Judge put it. So, we have to strike a balance between confidentiality and the need to protect our offshore sector, and disclosure, which is required to prevent criminal use of our banking sector.

In my opinion, Mr Speaker, Sir, this subsection (2A) that is being proposed goes further. Under section 2, the banks were allowed to get confidential information relating to the creditworthiness of their clients, and they were allowed to communicate that information to the Credit Information Bureau. As the law stood, until this amendment, you needed to have, and I quote –

“The credit information so collected shall be used exclusively for the purpose of meeting the objective of the Credit Information Bureau, and shall be kept confidential between the bank and the participating financial institution.”

So, the customers would give sensitive credit information to the bank for the purpose of getting a loan, for example, and this information may be communicated by the bank to the Central Credit Information Bureau, but under strict banking secrecy; that the other participant would not divulge this. Unfortunately, with this amendment, the bank, now, can impart this confidential information maintained by the Credit Information Bureau not only to Bodies which it considers appropriate for credit rating purposes, but also any public sector agency or law enforcement agency, to enable the agency to discharge or assist it in discharging any of its functions. So, if tomorrow, the FIU calls upon them and asks for this information, without going through a Judge in Chambers, they have to disclose. If the Bank of Mauritius calls them and says that they want confidential information, for whatever reason, however fishing expedition that may be, they have a duty to disclose under this Act, without the protection of the Judge in Chambers. That is bypassing all that was said in that judgment by learned Yeung Sik Yuen. This is, as my friend is saying, sending the wrong signal to the international community. Mauritius is not an opaque jurisdiction, Mr Speaker, Sir.

But, on the other hand, we need to protect sensitive banking information from disclosure, from being misused by public agency, by law enforcement agency. That is why I would appeal to the Minister to consider introducing this concept of having to go to a Judge in Chambers, as is the general rule, before any enforcement agency can request directly from a bank, information that it gives to the Credit Information Bureau.

Mr Speaker, Sir, I said I would not be long. I would end by referring to another proposed amendment which, for me, is going to have very, very serious consequences. On page 17, paragraph (h), we are still on the Banking Act of the Bill. Section 30 is being amended by introducing a new section and this new section was never discussed nor mentioned in the Budget Speech. This very small innocent amendment may have very, very serious consequences.

What is proposed today is that notwithstanding this Act, a financial institution may buy, sell, hold or manage such pool of assets as the Central Bank may determine. The general rule, Mr Speaker, Sir, is that a bank owes a duty to its deposit takers. Members of the public put their money in the bank. So, whenever the bank uses the funds, the depositor's money, he has to be extremely careful and the Bank of Mauritius issues very strict guidelines; the law is very strict.

Section 30 has a general provision against a bank, a financial institution investing in commercial trading activities. They can only do so if it is incidental to their business of enforcing a debt, otherwise the general rule is that a bank is not allowed to engage in commercial trading activities, they are not allowed to engage in speculative activities, in investment activities. And if ever they decide to do so, if ever they go by way of franchising, if ever they decide to do a leasing, the law provides that they have to do it through a subsidiary. Why? Because that provides a level of protection; you are the bank, you have put your money into your subsidiary, if the subsidiary goes bust, it does not affect the money of your depositors. So, we have to be very careful whenever we allow banks in Mauritius to engage in anything other than conventional banking, other than what is reasonably prudent.

So, what will the new amendment do, Mr Speaker, Sir? Instead of a bank today making a loan, say, if you go to a bank, you ask for a loan, the bank lends you money and takes security on your asset. Whatever the asset may be, it can be a house, it can be shares, it can be money with other people who owe you, they take a fixed charge, they take a pledge and they give you the money. Now, when they give you the money, there is strict guidance note issued by the Bank of Mauritius as to concentration limit, you cannot lend more than a percentage of your money to a group of companies or to a sector or, more importantly, to related parties, because we should not forget, Mr Speaker, Sir, that a lot of banks today that are licensed – the local banks – are part of a bigger conglomerate and the groups are engaged in other commercial activities. So, there is a tendency for the group to obtain cheap finance through a bank in the same group. That is why, just in the case of insurance - and we had a PNQ on that - the Bank of Mauritius imposes strict limits on the amount of loan that you can do in related party transaction.

Now, will this amendment do? Instead of you lending to your related party and taking security over the assets, you are now going to buy the assets directly. So, that is not going to be a loan, it is not going to fall under any of the guidelines of the concentration and you will be able to have it off balance sheet and the related party, for example, would be able to say: 'You know, I don't owe money, because I have disposed of the assets.' Now, from thereon, what is important is the quality of that asset. If you are buying prime asset, there is absolutely no risk. If I am giving you a loan as it is currently today, a housing loan, a bank finances you 60% and takes 100% security, you default, they take 100%, they take your house at 100%. There is no problem, because the asset they are taking is higher than the loan and the risk they are giving.

But if tomorrow this bank, instead of giving you a loan is buying your asset and it happens that this asset is what we call toxic asset, then it is a problem. Whenever we talk about toxic asset, whenever we talk about a bank buying pools of assets, it should trigger an alarm bell credit trench. The big mess which the International Financial Community was in, was the result of the supreme crisis which started all, because the bank was selling mortgages and repacking them. What we are doing today is precisely allowing banks to, instead of lending money, acquiring assets. So, I hope that the Bank of Mauritius - I see that they have the power to issue guidelines because, at the moment, we don't know what are these guidelines - will take all these into account to ensure, first, there is no abuse in related party transaction, but, more importantly, that it does not undermine the whole financial stability. The hon. Vice-Prime Minister, Minister of Finance and Economic Development, who is a Chartered Accountant, can understand the danger of having toxic assets, the danger of trading in receivables, for example.

If I am a trading company, Mr Speaker, Sir, I know that there are so many people who owe me money, every month I know that I have to get Rs100,000 or what not, I go to a bank and I sell this to a bank. I say to the bank: 'You know, don't give me loan, take security on my receivables. Instead, I sell the whole receivables to you, give me a discount on the Rs100,000.' Then, the bank is the one taking the risk of any default under the receivables. I really hope that the Bank of Mauritius takes all the necessary precaution and we, on this side of the House, also closely monitor the guidelines that will be issued by the Bank of Mauritius when it comes to regulating this. I have done.

Thank you, Mr Speaker, Sir.

(7.18 p.m.)

Mr K. Li Kwong Wing (Second Member for Beau Bassin & Petite Rivière): Mr Speaker, Sir, it is my pleasure to be yet another Member, on this side of the House, to intervene and comment on the Budget, and the last one for that matter.

Mr Speaker: No, no! No Budget, please!

Mr Li Kwong Wing: On the Finance Bill!

Mr Speaker: On the Bills!

Mr Li Kwong Wing: Sorry! On the Finance (Miscellaneous Provisions) Bill and the Economic and Financial Measures (Miscellaneous Provisions) Bill, both of which are meant to incorporate into the law all the budgetary measures, hence my reference to the Budget.

Mr Speaker, Sir, again, this year, we are finding the same scenarios.

Firstly, measures that have been announced in the Budget are incorporated in the law. Secondly, some of the measures announced in the Budget are diluted or they are set aside and are not incorporated and are not put in the law. And, thirdly, measures which have never been debated, never been announced, now are surreptitiously introduced in the Bills before us.

Let us examine these amendments under the Finance Bill first, Mr Speaker, Sir. At page 14, Section 3C, under the Excise Act, is being amended today. Amendment is being made to the Excise Act to review and improve the scheme of the CO₂ levy and rebate on motor cars, in order to encourage the use of more eco-friendly and energy efficient motor cars, in order to have lower carbon dioxide emission.

This is meant to preach a good practice in Government under the *Maurice Ile Durable* policy. But it is to be asked whether the MID Commission itself is practising what is being preached here by looking at the *bolides* and the limousines being driven by the MID Commissioner, the Director and the Advisors there! But, whatever that be, what does this amendment say? It says that the CO₂ emission threshold has now been reduced from 158 grams per kilometre to 150, as per the table, and that for new cars where the CO₂ Emission Certificate is computed in conformity with the Regulation No. 101 and is issued by a car manufacturer, the MRA will apply the prescribed rate for computing the CO₂ levy or the CO₂ rebate. So far so good! But what about second hand or reconditioned cars, Mr Speaker, Sir? They cannot get the CO₂ Certificate from the manufacturers and, therefore, they have to go to laboratories which have been accredited to carry out the tests according to Regulation No. 101.

But what laboratories have been prescribed and accredited by Government to issue these certificates? Four laboratories have been prescribed in November 2013 by the Ministry, which are all in Japan and out of these four laboratories: one no longer exists, two of them cannot carry the test in conformity with Regulation No. 101 and the last one does not carry any such CO₂ emission test. So, the question that has to be asked is: 'how have these four laboratories been

chosen and prescribed?' The question is to ask the Minister whether there has been any sample test and any exchange of correspondence with these four laboratories in order to ascertain that they can compute measurement of CO₂ in conformity with Regulation No. 101, and to table them.

If these laboratories cannot issue these certificates, then what will happen in the meantime? Because the law now is being amended to require that the second hand car dealers produce these certificates. So, will second hand or reconditioned car importers not be penalised, and for how long? What measures will Government now take to have these tests carried out in Mauritius if they cannot find the proper laboratories overseas to carry out the tests according to Regulation No. 101?

Is this not a disguised measure, Mr Speaker, Sir, to protect the importation of new European cars as in the old days when tariff preferences were being given to European imports over Japanese and Asian imports? Without the CO₂ Emission Certificate and without accreditation of proper laboratories in Japan or elsewhere, the differential in price between new and reconditioned cars will be wider and, therefore, will have negative impact on the trade in second hand cars, Mr Speaker, Sir. This goes straight against the concept and the principle of democratisation of the economy!

Mr Speaker, Sir, I turn to page 27 regarding the Income Tax amendment. Page 27 mentions about the tax relief given to medical and health insurance premium which was implemented in last year's Budget and which is taking effect as from 2013. Now, this tax relief is being extended to cover "the contribution made to an approved provident fund which has as its main object the provision for medical expenses". In other words, schemes like the MEF Provident Fund and other provident funds that are set up by private companies. It has to be reminded that both the medical insurance scheme and these provident fund contributions were not allowed any more tax reliefs in 2006 with the introduction of the so-called tax reform. Now, after having introduced tax relief for medical insurance scheme, this year, we are extending it to the provident fund which must have been an oversight last year. However, this year's introduction of the tax relief for provident fund will apply as from 01 January 2014. So, the question is whether the Vice-Prime Minister will not consider having the commencement and application of the tax relief for the provident fund in 2013 rather than 2014 on the same line as

medical insurance policies. That is an invitation that I am making to the Vice-Prime Minister to consider.

I turn now to another Income Tax amendment on page 29 which refers to the CSR Fund. The amendment that is introduced is meant to introduce CSR levy of 2% on resident *sociétés*. What the amendment says is that –

“The CSR levy of 2% will now apply in all respects to a resident *société* other than a resident *société* holding a Global Business Licence as it applies to a company, and its net income shall be deemed to be its chargeable income and any distribution of its net income shall, for the purpose of this subpart, be deemed to be dividends.”

In order to understand this, Mr Speaker, Sir, we need to give a concrete example. If we have to apply this CSR as we are applying to a company, what does it mean? When a company applies CSR, it does so, on the chargeable income. So, it pays 15% tax on the chargeable income and 2% levy on the chargeable income. When that company pays out of its net, after tax and after CSR levy, income as dividend to the holding company, the holding company, therefore, does not pay another CSR levy on an income that had been charged CSR in the underlying company. Now, we are applying CSR to resident *sociétés*. So, a resident *société* does not pay any income tax. It does not pay the 15% tax and it does not pay CSR. What we are doing is that we are asking the resident *société* to pay 2% CSR levy out of its chargeable income. The net income, after paying CSR, is then distributed to the *sociétaires*.

In principle, *sociétaires* will pay tax on the income or the distribution that is received. But when we say that the net income that is distributed by the *société* will be deemed as dividend, it means that dividend is not taxable; therefore, it is distributed as dividend by the *société* to the *sociétaires* and since it is dividend, it is not taxable. So, they are not being taxed the 15% tax which a *société* normally should have been taxed on its income. The underlying *société* does not pay the 15%. So, what this amendment is doing in effect is that by grabbing 2% CSR levy, we are losing 15% tax on the distribution that is made by the *société* to the *sociétaires* because this distribution is deemed to be dividend and dividend is not taxable!

Mr Speaker, Sir, let me touch on the VAT amendments!

Mr Speaker: Which page?

Mr Li Kwong Wing: Page 66. It's the law, if you apply it, you hire lawyers like hon. R. Uteem, you will learn how the tax will not be applied on dividends. So, at page 66, Mr Speaker, Sir, I think hon. Uteem also touched on it; VAT amendment. Now, we are introducing a very arbitrary discretion in the hands of the Director-General of MRA because the value of taxable supplies, whether it is for consideration of money or wholly or in part of money, will not suffice. The value to be taxed under VAT is now, because these words are added under this amendment, "such other amounts as the Director-General may determine". So, it leaves it at the discretion of the Director-General. After several years when he reassesses the trader or the company, he comes to the company and says: 'the value on which you were paying the VAT, I am disputing it and I have the right as per the law to determine that the value is much more.' And he can do it even after five years when the return has already been made. So, this will give way to a lot of *contestations* and *litiges* in Court and it is going to be the same as for land acquisition where people don't agree with the valuation of the land and with the discretionary decision of the Valuer.

On the same question of VAT, Mr Speaker, Sir, under section 24 at page 67, it is said that the VAT refund for capital expenditure will not be made unless the value of the taxable supplies, during a period of five years following the taxable period in which the claim is made, exceed the taxable value of the capital goods referred to. So, what does it mean? It means, therefore, that if somebody has made a capital expenditure, he cannot claim back the VAT if the value of the output is not, at least, equal to the cost of the capital expenditure. I give you an example just to illustrate it. You know the SIT has put up huge buildings and is selling offices. Suppose somebody wants to buy an office in order to let it; he buys the office at Rs5 m. on which he has paid VAT and he wants a refund on that VAT. But then, there will be no repayment if, during the five years, the person who has invested in that office has not had its value of taxable supplies equivalent to the Rs5 m. So, it means that for five years, as hon. Uteem said, he must have a return of 20% p.a. to declare as taxable supplies to be able to claim back the refund of the VAT.

But, Mr Speaker, Sir, in that situation the rental return cannot be 20%. It is much less than 20%. So, does it mean that, in that case - we are talking of an investment in an SIT office or it can be an investment in an RES apartment - then, the refund of the VAT will be refused? Does

it mean, therefore, that he will not get his refund since the very beginning of the five years or will he claim the refund during the five years and then, after five years, the Director-General of MRA can claw back the refund of the VAT. So, can we have clarification about that because this is a deterrent, a disadvantage and a stumbling block for people wanting to invest in property or in apartment which the Government is trying to promote heavily especially to foreigners coming to Mauritius.

I turn now to the other Bill - the Economic and Financial Measures (Miscellaneous Provisions) Bill. So, we turn to the amendments under the Bank of Mauritius Act. As you know, Mr Speaker, Sir, in the wake of the recent Ponzi schemes where thousands of our citizens have been fleeced with the connivance of members of law enforcement agencies where over Rs1 billion have been defrauded, I won't say where agents of the Labour Party were also involved, but...

Mr Speaker: Hon. Member!

Mr Li Kwong Wing: No. I am not saying this.

Mr Speaker: No, but you are saying it.

Mr Li Kwong Wing: Did I?

Mr Speaker: The hon. Member has to stick to the provisions.

Mr Li Kwong Wing: I withdraw.

Mr Speaker: Yes. Do not make cheap allegations. Proceed!

Mr Li Kwong Wing: So, amendments now are made late in the day and brought to the financial and banking legislation to strengthen the regulatory and investigatory powers of the institutions in order to suppress illicit and abusive practices. Hon. Uteem just mentioned that the Budget Speech makes mention of the redefinition of financial crime in order to amend the Criminal Code to prohibit such crime, but we do not find it in these amendments and we would like to know the reason why. But what is interesting is section 5(3) on page 4, where the amendments now allow the Bank of Mauritius –

“(f) to carry out investigations and take measures to suppress illegal, dishonourable and improper practices, market abuse and any potential breach of banking laws.”

Mr Speaker, Sir, when we talk of market abuse, are you aware that many of the banks, especially international ones, go through the list of depositors and then, do hard selling to these depositors by promoting financial and investment products? The Bank of Mauritius is now given the power to –

“(e) promote public awareness of the risks associated with different financial products regulated by the Bank, (...).”

But, Mr Speaker, Sir, are these financial products regulated by the bank? Because, very often, we find foreign institutions peddling financial products, so-called capital guaranteed products through local banks like State Bank and MCB, not foreign institutions, but through local banks acting as agents, peddling these financial products which are not regulated by the Central Bank. So, when is it time that the definition of investment product and financial product is widened under the Bank of Mauritius Act to include all these products that are being freely peddled by marketing agents, and also bank tellers and bank clerks who are working on commission in order to sell it to the innocent depositing public? So, when will there be a regulation to regulate these products and also to license these marketing agents? This is what is lacking under this Bank of Mauritius amendment, Mr Speaker, Sir, because banks are not content with just giving out loans now. Banks are also selling investment products and they do it by hard sales.

Mr Speaker, Sir, the other amendment is on page 4, section 6 where it says that the Bank of Mauritius can now –

“(...) apply to the Judge in Chambers for an order in respect of any matter relating to any of its functions.”

Now, this is the right way to proceed and it is good that the hon. Minister has retracted on the powers that he was intending to give to the FIU and the Director of FIU to go and investigate onsite and take away and inspect any books and records. The way to go is as per this section where the Bank of Mauritius applies to the Judge in Chambers for an order in relation to any

matter relating to its functions. So, it is good that the related section on the FIU has been removed and has been changed.

Mr Speaker, Sir, let me now go to page 8 under the same Bank of Mauritius Amendments. Section 48, on page 8 relates to -

“Facilities to financial market infrastructure and payment scheme providers.”

The Bank of Mauritius, under this amendment, may now own, participate in and operate payment schemes. The question that I will ask the hon. Vice-Prime Minister and Minister of Finance is what type of payment schemes or instruments is involved which will be permitted and who are those payment scheme providers and how will they be registered and regulated because this has never been debated in the Budget Speech?

Mr Speaker, Sir, I turn now to the Banking Act, on page 11. If we look at page 11, there is now a wider definition of banking business to include the paying and collecting of cheques, that is, the issue and acceptance of cheques by customers through which scams and Ponzi schemes dealers will operate illicitly by making and offering different payment instruments and issuing and accepting paper. This amendment is meant to put an end to what is called “shadow banking” or “illicit banking”. But what is more fundamental here, Mr Speaker, Sir, is to define and clear all the ambiguities relating to banking businesses so that the Bank of Mauritius will now be able to cast its net wide on all activities which border on shadow banking.

Mr Speaker, Sir, now I turn to sections 14 (d) and (e) on page 14: Licensing of moneylenders and credit unions. The amendment now requires credit unions with minimum total assets of Rs20 m. to apply for a banking licence.

Mr Speaker: Sorry, which item?

Mr Li Kwong Wing: At pages 14 and 15 - Bank of Mauritius, Licensing of credit unions. Credit unions are now required to apply for a banking licence if it has a total assets of, at least, Rs20 m. and it is specifically put in the law that the application should be made within 6 months of the commencement of this amendment and also, the Bank of Mauritius will forthwith have access to all the books and records of these licensed credit unions. But I don't find any

mention being made about how it is going to regulate the moneylenders which will also be required to apply for banking licence.

So, I join hon. Uteem in asking the hon. Vice-Prime Minister and Minister of Finance to ensure that proper regulations and guidelines and instructions be issued by the Central Bank regarding the regulation of moneylenders. But suffice it to say that in the case of credit unions, it is a voluntary association of small savers and if it is going to be licensed as a bank where the Central Bank will require all kinds of prudential ratios and assets backing, it is fair to expect that the Bank of Mauritius should also provide proper guidelines, proper training and proper assistance to these small credit unions in order to operate properly, in conformity with the new banking regulations. There is no point, as has just been mentioned, with a stroke of a pen to require them to come into the net of the banking regulator when they are totally unprepared.

Mr Speaker, Sir, there is this new provision under page 17, section 30 about allowing financial institutions to buy, hold and sell assets pooled together. This is what is called securitisation and this has been touched upon by hon. Uteem.

Mr Speaker: Hon. Uteem has spoken about it.

Mr Li Kwong Wing: This can lead to very toxic risks to the financial stability of the financial system in Mauritius and we know what has happened in the case of Europe and the United States as a result of these junk securities which, I remind the House, were rated grade A bonds by institutions like Moody's. So, this tells you the credibility of such rating agencies when it comes to securitisation.

Mr Speaker, Sir, I come to the other amendment which relates to employment – the Employment Rights Act, on page 26. Here, we have that typical example where issues that have not been canvassed are introduced in the law. We know that there are a couple of issues that were left pending during the year and which should have been applied and put into force by proper proclamation of the law, in the legislation. We have here the issue of meal allowance in section 13 (b) and the issue of the determination of end-of-year bonus through a new definition of earnings which is now wider than basic wages and includes overtime and other types of payments to the workers. This is a move in the right direction, but, again, this is a half-hearted approach. What is the point of adding this amendment here by widening the definition of

earnings for the calculation of the end-of-year bonus when this part of the amendment is going to be applicable next year? We would expect this to be put in force in this year itself, in the year 2013 in order to make the end-of-year bonus payable in this year on the definition of earnings on a wider basis. So, this is like giving something and taking it back for payment next year. And this is not fair to the workers.

The other thing which has been touched upon during the year is this issue of Employment Rights, but which is not covered, is the Remuneration Orders on office attendants and the allowances for shift work and night allowances which were already in the law passed in June 2013, but has never been proclaimed. So, my appeal to the hon. Vice-Prime Minister and Minister of Finance is to see if this can be proclaimed. And this is a good opportunity which has been missed earlier to put these benefits in the amendments to the Bill and get them proclaimed and put into effect as from this year so that workers can be entitled to the night and shift work allowances and their salary rise under the Remuneration Order for office attendants. This has not been done and this is what we say in creole - *jouer piner ar travayeurs*.

Mr Speaker, Sir, I have just a passing remark to make about the FIU in the amendments to the FIAMLA where the Minister has rightly retracted from a lot of these amendments which had been proposed and which have now been diluted. I think it is a good thing because they have given a very bad image of our financial sector where a director of FIU could just barge in an office and take control of all the information without a Judge's order, without going to the Court and with supreme power. It is good that this has been removed.

But what I need to mention – the last point which I want to make – is on page 41 on the Financial Services Act where it is said that in order to ensure substance for the global business company, the holder of a global business Category 1 Licence, that is an offshore company, may now conduct business in Mauritius, but “subject to such restriction, terms and conditions as may be provided in any guidelines issued by the Commission.”

It is good that some guidance be given in the House with regard to what relations and what activities with local residents will be allowed. Is it 50 percent dealing with locals and 50 percent dealing with non-residents? Or is it that a major part of the activity has to be global

business and a minor part has to be local business? What would qualify as substance? This is not very clear.

Although we are in agreement with the fact that global business should be allowed to do more local activity in order to acquire substance, yet there are certain activities which it is better to allow the global business to have a local subsidiary to carry out the local activity. It should not be just obsessed with having local substance or forcing on the global business always having to do local activities because it can create a lot of confusion. How much is going to be classified as local business taxable at 15 percent and how much will be global business taxable at 3 percent? I think it is clearer to everybody that the global business becomes a holding company for a local company doing purely local business.

Mr Speaker, Sir, the other points, I think, have been well canvassed by the other Members of the Opposition. So, I have no more to say. I thank you for your attention.

Mr Speaker: This is a proper time to break. We will resume in one and a half hours.

At 7.59 p.m. the sitting was suspended.

On resuming at 9.37 p.m. with Mr Speaker in the Chair.

The Vice-Prime Minister, Minister of Finance and Economic Development (Mr X. L. Duval): Mr Speaker, Sir, firstly, I would like to thank all the hon. Members who have intervened this evening.

I listened very carefully to each and every point raised, and I will try in the summing-up to respond to all the points that have been raised by hon. Members, which is quite understandable with the complexity of the laws. There is some misunderstanding and I should respond to that, but to some other points also. Mr Speaker, Sir, I would like to say that we have understood clearly the concerns of the Opposition Members.

It is a question of organisation; how I present this. So, I will start, Mr Speaker, Sir, by responding through the notes that have been provided by my colleagues from the Ministry, and then, I will deal with some of the other points that I have noted myself, which I need to respond to.

One of the points which was raised by one hon. Member was the question whether goods removed from the bonded warehouse and sold by Customs, in fact, the money that was obtained from the sale would be refunded. This is what the reply is. For all goods abandoned under Customs control or in warehouse, the owner of the goods has a right to claim for a refund from proceeds of sale after Government has collected taxes and duties, in accordance with section 61(4). The objective of the fine is to act as a deterrent for the owner of the goods to claim within a specified period of 42 months. So, that deals with that first one, Mr Speaker, Sir.

The issue of the Fast-track Committee is an interesting one. Firstly, I must say that the previous emanation of that, which was the LPES, was passed by Parliament, but was never implemented; it never actually managed to exist. So, this is why we are doing away with it. In fact, it faced quite a bit of disapproval. So, it was not ever implemented. Now, we are coming with a Fast-track Committee. What is the Fast-track Committee going to do? Firstly, with regard to the major projects, we have said that, at this point in time, it will be over Rs50 m., and the application will be through BOI. BOI will send the applications onwards to the various agencies and Ministries concerned.

These agencies and Ministries have a time to respond to these. Otherwise, as we know, there is either a silent agreement or what not in the law, to provide for a maximum amount of time when these agencies and Ministries can respond to an application. Now, what happens at the moment? If the time limit is not met, then there is very little that can be done. Very often, the silent agreement cannot be implemented. So, what we have done, Mr Speaker, Sir, is, in fact, giving teeth to the time limits that exist in the various legislation, and even to the silent agreement. As I mentioned, very often, the silent agreement could not be implemented.

For instance, let us say the law says after 15 days you are meant to receive your permit. But if you don't get your permit, you come up to the cashier and you want to pay for the permit, the cashier refuses to pay for the permit. You don't have a permit, although you have a silent agreement. I hope I am clear. What I am saying is that often we could not implement the silent agreement. What is going to happen now is different. The Board of Investment will also be monitoring because it has sent the application forward. Now, three days after, the deadline has expired; the agency should inform the Fast-track Committee that it has not been able to meet that deadline. The Fast-track Committee will inform the Ministry of Finance: "This is the list of

projects which are behind schedule, because the various agencies have not respected the deadline for issuing the permit.” I will take those cases to Cabinet. It would be up to Cabinet - the Ministries concerned will be there to make a decision, and take a ruling on what is to happen to this project. Maybe, there is a good reason for it not to go ahead or maybe their agency has been lax and has not done its work properly.

As I know how agencies and Ministries work, the mere fact that they know that, should they not abide by the deadline, this will be taken to Cabinet, there will be the Prime Minister, the Deputy Prime Minister and all the Ministers. That in itself, Mr Speaker, Sir, is an incentive that we should meet the deadline. Imagine one agency or one Ministry every week not meeting the deadline and every week the thing is coming up to Cabinet! You can understand that this is an important incentive for agencies and Ministries to stay within the deadline and, at the same time, meeting, I think, what hon. Ganoo had mentioned about the fact that we are not overriding the Ministries and agencies concerned because they obviously know best. So, it would not be right, maybe, for a Fast-Track Committee to suddenly override everybody. That is not going to happen. We are not going to override. As I mentioned, it will be taken to Cabinet and it will be for Cabinet, with the Minister concerned, to deal with the projects that are behind schedule as far as permits are concerned.

Mr Speaker, Sir, on the Public Procurement Act, what we have had to deal with concerning the IRP and this is why firstly, there are two Divisions and, secondly, there are these deposits and fees that we are charging that may not be refundable under circumstances. One is the fact that there are many cases, but some of them are not very serious ones. In fact, they come and clog up the IRP. When they clog up the IRP - firstly, there was just one Division but now there will be two Divisions. So, we will be able to do hopefully twice as quickly. But, so that they act together in a same sort of way and not one Division taking one sort of decision consistently and the other one doing completely differently, there will be guidelines that will be issued by the Procurement Policy Office (PPO) so that they will know what to do. So, these Divisions will sit separately.

What we also had, Mr Speaker, Sir, is that there has been collusion sometimes. I think my colleague, the Minister of Local Government and Outer Islands has seen it for a while in his sector that there has been collusion. Let us say tomorrow there is a contract that is awarded, there

are five tenderers and the contract is awarded, and one of the tenderers actually goes to the IRP and appeals. The whole thing is delayed. If the IRP does not act quickly, we may actually go over the tender period and the tender will lapse. When the tender is about to lapse, what the Ministry will do is to ask each tenderer if it could extend its tender. What happens if of these five tenderers, four refuse to extend their tender and only one extends his tender? We no longer really have a tender because there has been some sort of collusion between them and, therefore, the competition process has been thwarted.

This is also the reason, Mr Speaker, Sir, that there are now certain provisions in the law that will actually, firstly, impose a greater financial burden on anyone who applies to the IRP and, also, if there is no *prima facie* case, then the procurement process will not stop. One of the reasons is to prevent this type of collusion which can be very damaging for the Public Procurement process. In fact, Mr Speaker, Sir, whilst we want to retain all the safeguards that exist in our Public Procurement process, it is also our duty to ensure that projects go ahead. Now, at the end of every year, we come to Cabinet with a Supplementary Expenditure Bill and we are told that we have not performed well and that we have not done all our capital expenditure that we ought to have done. So, that is a series of measures that will help to do this.

Mr Speaker, Sir, some of these points have been taken up by several orators and one is the Nelson Mandela Centre which is about the appointment of the Board. I think hon. Ganoo raised that point. There have been a lot of discussions all around about how the Board should be appointed and who should be the members. As far as the members of the Board are concerned, it has been decided that there is no need to have this category of five people appointed from socio-cultural organisations. A better definition will be, Mr Speaker, Sir, to appoint people – and this is the thing that is being used – with a proven track record in the work and alleviation of the problems, etc. for the descendants of slaves. This has been decided by the Prime Minister's Office and the State Law Office, etc. that that would be a better choice of people than just merely being a member of a socio-cultural organisation. We can have quite a few. Some may be more serious than others and some may be more motivated than others.

Mr Speaker, Sir, I think the exact terms are here, with the wording that is now being used: "The Chairperson, the members referred to in section 1 (a) (b) above shall be appointed from amongst persons with a proven track record in initiating, taking or implementing measures

for the upliftment of descendants of slaves.” I think that we should not quarrel with this definition because that is quite a definition. If we did get these types of people on board on the new Nelson Mandela Trust Fund, Mr Speaker, Sir, I think we would have done very well.

Mr Speaker, Sir, this is a bit of jumping, but I am taking it in the order that they were raised by various people. Investment tax credit, the Rs100 m. as we say that if you invest more than Rs100 m. in plant and machinery, I think, in specified industries, basically the hi-tech industries, then you will get not only your normal depreciation which is called capital allowance in the tax jargon, you will get your capital allowance up to a 100% over, but you will also get an extra 15% over three years (5, 5, 5) over and above the normal capital allowances you will receive, which means that for Rs100 m. spent, you will actually get, as a deduction from your tax over the years, Rs115 m. This is what it means!

Now, the main point was, I think, why SMEs are not included. Firstly, Mr Speaker, Sir, in anything we have to also look at the erosion of the tax base. We have to be careful not to erode too much the tax base. That is one thing and to only give the incentive where it is really needed, that is, where there is a huge amount of money involved. The second thing which I think hon. Members forget just as I myself sometimes forget, is that in Mauritius the SMEs, in the first four years of their existence, do not pay any tax at all! They are completely tax exempted in the first four years of their existence. So, there are already measures to give tax incentives to SMEs. Obviously, in this Budget we have done so much again to help SMEs, including the free website, etc. And, of course, Mr Speaker, Sir, what actually caused us to be upgraded recently by the World Economic Forum as a most competitive economy in Africa, was the SME Loan Scheme, which was questioned by the Opposition at the time. I remember I had one Private Notice Question on that. It is one of the measures that have worked tremendously well since the 2012 Budget and we are reaching Rs3 billion which have been loaned out to SMEs at very affordable rates of interest. So, we have done a lot for SMEs and we will continue, of course, Mr Speaker, Sir, to do so. But, this measure, as I mentioned, is for the bigger companies.

Mr Speaker, Sir, I am told that there was one point on the income tax deduction for interest relief. I am told that the extension to the scope of the income tax deduction relief is not time bound. So, the amendment to interest relief takes effect as from year 2013.

As regards the deduction for medical/health insurance, the amendments take effect as from income year 2014. I think hon. Li Kwong Wing raised that. It is not intended for this to be brought back to year 2013.

Mr Speaker, Sir, so far as the Energy Efficiency Act is concerned, one hon. Member raised the problem of the confidentiality provisions. What I am told, Mr Speaker, Sir, is that the energy audit exercise is partly paid for by grants from *Agence Française de Développement* and the findings of the energy audit must be shared with other firms with the permission of the party concerned. This is what I am informed, Mr Speaker, Sir, and this is one of the conditions of the grant being given to the firms. So, we are partly paying. I mean, if the firm wants to pay for its own audit, fair enough, but if we are partly paying for it, then we want to use it for disseminating this sort of information to other firms. I don't think there is a great deal of confidentiality issues there, Mr Speaker, Sir.

Mr Speaker, Sir, hon. Mrs Hanoomanjee – anyway she is gone - went on and on about the pensions and the issue of the defined contributions and defined benefits. Previously, all the civil servants in Mauritius were on a defined benefit scheme, that is, you contributed and at the end of your working life, you would know exactly what would be your pension in relation to your leaving salary. That would be the basic conditions of a defined benefit scheme. That was changed in the PRB Report; the last PRB Report changed this to a defined contribution scheme for all pensions in the Civil Service, but we grandfathered the civil servants who were already in employment. So, it was only for new entrants and from now on, in line with what is done internationally all over the world because with the ageing population, no Government, no country can continue to afford a defined benefit scheme. So, we moved on to a defined contribution scheme where you know what you are contributing, you know what Government is contributing. This money is made to fructify - that is the word - to increase over the years by full investment, we hope, and, at the end of your working life, you will be given back this kitty that you have actually created during your working life; it is distributed back to you. That is a defined contribution scheme. Now...

(Interruptions)

Obviously, having problems with technology.

(Interruptions)

Okay. Now, a defined contribution...

Mr Speaker: The problem is not the technology; the problem is the one who is holding the technology.

(Interruptions)

Mr Duval: Now, the defined contribution scheme has been in place for Civil Service pensions, but when, I think, we did it last time, we thought we could, by agreement, deal with the Civil Service Family Protection Scheme. We could deal it by regulations, but, in fact, it has to be by agreement, but it has to come through the law and this is why this year, retrospectively, we are putting in an amendment in the law to allow for the same provision that applies for public sector pensions where, in fact, you pay 6% of your salary and Government pays 6% where, in fact, this one, for this protection scheme you pay 2%; the same thing for the bigger pension scheme, the defined contribution will also apply now to the Family Protection Scheme. I think there is nothing there that is sinister or nothing that is not known or has not been agreed by everybody concerned. So, that's just, in fact, equating it with the pension schemes already.

Mr Speaker, Sir, on the Electricity Act, I think one of the hon. Members raised the problem of liberalising the sale of electricity by owners to the tenants and that there should be more control on this sale. The answer, Mr Speaker, Sir, is if the electricity that is being proposed to the tenant by the landlord is more expensive than the CEB, then the tenant will prefer the CEB. So, we don't think there is any need for more red tape and just to allow it on the free market will be a better deal.

Mr Speaker, Sir, hon. Mrs Hanoomanjee again raised the issue of the *Morcellement*. We did, in fact, announce that we would control it; when you would take deposits, etc., when the *Morcellement* is being prepared, we did announce that in the Budget, and I agree that it is not in the Finance Bill or the Economic and Financial Measures (Miscellaneous Provisions) Bill because the *Morcellement* Act is coming next year and it will look holistically at the whole issue.

As far as the issue which was raised by at least one orator concerning the Bank of Mauritius and the fact that it appeared that it now no longer would control the granting of loans

without collateral, I am informed, Mr Speaker, Sir, that the bank proposes to issue regulations. We have given power to the Bank of Mauritius to issue regulations with the approval of the Minister – that is me - to provide for the necessity of collateral amongst others. So, there is that section 48(4). The bank may, for the purpose of this section, make regulations with the approval of the Minister. So, it is not a loophole. It has been covered.

Mr Speaker, Sir, hon. Ganoo raised the issue of the possibility of money being lost from hacking of bank accounts. I am told that the Bank of Mauritius will ensure that any e-money providers comply with the international agreed best practices in regard to security measures applicable to such systems. In any way, Mr Speaker, Sir, if you have a bank account and it has been hacked through no fault of your own, the bank will be responsible obviously for that amount and will be liable. It is only maybe if you have been careless with your credit card or something, then it is your own fault, otherwise if it is a hacking issue, then – I am not a lawyer – I am quite certain that the liability for any loss will not fall upon you, but it will fall upon the bank.

Mr Speaker, Sir, on the question of the Director-General of the MRA, valuing goods for VAT purposes, there were quite a few people who intervened on the other side. What I am told, Mr Speaker, Sir, is that there is a policy note that will be issued, it will be restricted to certain types of goods where the MRA thinks that there has been constant undervaluation, principally second hand jewels. So, you will know exactly which type of assets - and it is restricted to a few types of assets – will be concerned and what will be the procedure for that. So, there will be safeguards. It is not going to suddenly start, you know, shirts, trousers, houses, or whatever it is. So, it is basically for second hand jewellery and there will be safeguards.

Mr Speaker, Sir, a number of interveners again spoke about the setting-up of the Serious Fraud Office, setting-up of the Consultative Committee and the definition of ‘financial crime’. The Prime Minister’s Office is working on a specific legislation to give all its way to the Serious Fraud Office and it is at that time that all these issues will be dealt with, including the definition of ‘financial crime’.

As far as money lenders are concerned, I will come to that in a moment. As far as securitisation is concerned, I have listened carefully to what my friends from the other side have

said and, in fact, we are proposing a slight amendment at Committee Stage whereby this will come not by automatic gazetting, but it will come by proclamation. It will allow us to allay the fears of anyone concerned.

Mr Speaker, Sir, on the question of CO₂ and the rebate and the issue raised by hon. Li Kwong Wing concerning the agencies that are able to provide CO₂ certificates to imported second hand cars from Asia, I am told that at the moment we have 4 that have been listed in the Schedule, but this can be extended at any time if the Ministry of Commerce finds that it is not reasonable to restrict the number of authorised agencies to only 4 agencies.

Mr Speaker, Sir, CSR for *Société*, unfortunately, hon. Li Kwong Wing is not right and we have not done away with taxation of profits by *sociétés*. Not at all! In fact, what is meant is that the distribution is deemed to be dividends for the purpose of CSR only. So, once you distribute it to *sociétaires* that you will not repay and it is deemed to be for CSR only and it will not affect normal taxation. Income tax will still apply. I take an example; while you pay your 15%, the *société* will pay the 2% and then it will pay the rest as income to its partners to *sociétaires* and there in the hands of the *sociétaires*; it will be fully taxable to income tax.

Licensing of moneylenders by Bank of Mauritius: the Minister may, in terms of section 101 of Banking Act, make such regulations as he thinks fit for the purpose of the Act. It is proposed that the Minister issues regulations to plug any gap noted through the repeal of the Moneylenders Act. I have taken note of the issue concerning global business companies, but that should not affect them.

Sharing of information by Bank of Mauritius - Mr Speaker, Sir, we are dealing with credit information that will be circulated to Government agencies, etc. It has always been a request of the FIU, for instance, that it should facilitate its task if it knew exactly when it has a STR, what exactly the person has in terms of liabilities and the Credit Information Bureau, in fact, only contains liabilities that have been taken, loans, etc., by any person and further it is useful for credit agencies and for these Government agencies also to receive information so that they can facilitate their tasks.

There is a point raised by hon. Li Kwong Wing regarding the amendment to the VAT Act for not allowing repayment of VAT paid on capital goods if taxable supplies over the next five

years are lower than the value of capital goods. Mr Speaker, Sir, there is already an amendment at Committee Stage. This will allow MRA to repay the excess amount while carry forward to be set off against future taxation. So that has been dealt with.

Mr Speaker, Sir, I am told that there may be a misconception that the moneylenders and credit unions will be required to apply for a banking licence. Obviously, that is not the case. They will have a specific licence which will be issued to these institutions and the Central Bank will obviously work on prudential guidelines which will apply to these institutions.

Mr Speaker, Sir, hon. Li Kwong Wing also raised a question of products that are marketed which the hon. Member thought ought to be licensed by the Bank of Mauritius while investment products, which are marketed in Mauritius, need to be licensed by the FSC and I understand also that the Central Bank has guidelines on advertisement that banks need to follow if they are marketing investment products.

Mr Speaker, Sir, I am just trying to check if there is something that I have not mentioned. We have done a lot for the construction sector in the Budget, Mr Speaker, Sir. In fact, if you look at the consumption of cement; it is equivalent to a consumption of cement by a developed country. So, even this year where we are lower than in previous years, that is, because there has been a tremendous boom in previous years and not because we are abnormally low by international standards. Even so, we have done a lot for the construction sector including the new VAT refund which we are enacting today and including the loans which are going to be guaranteed by Government, etc. I think, as I have mentioned during the Budget Speech, no Government before has done so much for ownership as we have done.

Mr Speaker, Sir, there was one point relating to the Electricity Act: why we are replacing the President by the Minister and whether we should not have instead a regulatory Authority. As you know, Mr Speaker, Sir, this authority is not yet operational. This is one reason why the Minister is taking over this right.

Mr Speaker, Sir, as far as amendments to the Employment Rights Act are concerned, my colleague, the hon. Minister of Labour, had extensive discussions with all the stakeholders and that is why the current definition of salary and wage has been arrived at.

Mr Speaker, Sir, on the point of the 17,000 lessees that will now be able to obtain their property on State land and become owner of their property, I must say that this is a measure that has brought forward by the hon. Minister of Housing and Lands and by the hon. Prime Minister. It was announced in the Budget. Hon. Ganoo raised it, but, as far as I am concerned, it came from the hon. Prime Minister and the hon. Minister of Housing. It is good that we are on the same wavelength in that matter.

Mr Speaker, Sir, one or two hon. Members have said *que nous avons glissé des amendements, etc.* I think hon. Li Kwong Wing said it was surreptitious. Hon. Uteem mentioned that we had taken the trouble - and it is trouble - to write out every single clause what it was doing exactly and never before had this been done. When I was in the Opposition, I used to get just a whole list of the Finance Bill and the previous provisions, and I had to go and add these together and see what is happening. It is the first time that we have done this and this is why, Mr Speaker, Sir, we don't accept at all that anything has been *glissé* or has been surreptitious. No this time, I think! I think this time everything is really above all and that is how it should be.

Mr Speaker, Sir, just a last point, dealing with global business companies, we do feel that one easy sort of complaint or attack or criticism – criticism is the best word - against the offshore. Our global business sector is that companies are here and they don't really participate in the economy. They don't have property here and they don't have anything here and, therefore, they just seem to be here because they want to invest in India, in Africa and, therefore, they don't have a lot of substance. They don't need employees. At the FSC, there is the Consultative Committee which I chair and that committee is looking at how best to integrate the financial services sector, the global business sector into Mauritius economy without, of course, eroding the tax base and without having undesired effects. This is the whole question.

Hon. Li Kwong Wing raised the issue of whether these global business companies might actually be identified administratively easier, even fiscally easier, if they were not part of the main global business company itself, but as far as a subsidiary owned by the global business company. That is one issue. I share that view. A lot of people in the Ministry don't share that view, but I share the view that this will be the safest way, but it is still being looked at. We haven't yet worked out what are the parameters. No doubt, Mr Speaker, Sir, over the next few

months, we will do so. I think we will have benefits for the global business sector in terms of substance. We have also benefits for the Mauritian economy in terms of added investment and added participation in the economy.

Mr Speaker, Sir, I hope I have dealt with most of the points that have been raised by hon. Members and now what do I say.

Thank you.

Question put and agreed to.

Bills read a second time and committed.

COMMITTEE STAGE

(Mr Speaker in the Chair)

THE FINANCE (MISCELLANEOUS PROVISIONS) BILL

(No. XXVII of 2013)

Clauses 1 to 6 ordered to stand part of the Bill.

Clause 7 (Excise Act amended)

Motion made and question proposed: "that the clause stand part of the Bill".

Mr Duval: Mr Chairperson, I move for the following amendments in clause 7 –

“(i) in paragraph (a), by deleting subparagraph (v) and replacing it by the following subparagraph –

(v) by inserting in the appropriate alphabetical order, the following new definitions –

“model code”, in relation to a motor car referred to in section 3C, includes engine capacity in cubic centimetres (cc), transmission system and weight;

“Regulation No. 101” means Regulation No. 101 of the Economic Commission for Europe of the United Nations (UN/ECE);

- (ii) in paragraph (b), by deleting subparagraph (iii) and replacing it by the following subparagraph –
- (iii) by repealing subsection (8) and replacing it by the following subsection –

(8) Sub-Parts B, C and D of Part III of the First Schedule in force before 9 November 2013 shall continue to apply to a motor car which is cleared from Customs on or before 1 March 2014, or such other date as may be prescribed, and -

- (a) in respect of which an application for an import permit is made before 12 November 2013;
- (b) has been issued with an import permit before 9 November 2013;
- (c) is shipped before 9 November 2013, or
- (d) is placed in a bonded warehouse before 9 November 2013. »

Amendments agreed to.

Clause 7, as amended, ordered to stand part of the Bill.

Clauses 8 to 29 ordered to stand part of the Bill.

Clause 30 (Value Added Tax Act amended)

Motion made and question proposed: “that the clause stand part of the Bill”.

Mr Duval: Mr Chairperson, I move for the following amendments –

“In clause 30(e), by deleting subparagraph (i) and replacing it by the following subparagraph –

- (i) by inserting, after subsection (1), the following new subsection –

(1A) Notwithstanding subsection (1), the Director-General may, on receipt of a claim under that subsection –

- (a) repay the whole or part of the excess amount or
- (b) retain the excess amount to be carried forward onto the return for the following period. »

Amendments agreed to.

Clause 30, as amended, ordered to stand part of the Bill.

Clause 31 (Validation of resolutions)

Motion made and question proposed: “that the clause stand part of the Bill”.

Mr Duval: Mr Chairperson, I move for the following amendments -

« By deleting clause 31 and replacing it by the following clause -

31. Validation of resolutions

(1) Subject to subsections (2) and (3) the financial resolutions adopted by the National Assembly on 8 November 2013 are validated.

(2) Paragraph (d) under the heading “Sub-Part D – Appropriate Rate of CO² Rebate” in the Schedule to the Second Resolution shall have no effect.

(3) Sub-Parts B, C and D of Part III of the First Schedule to the Excise Act in force before 9 November 2013 shall continue to apply to a motor car –

- (a) in respect of which an application for an import permit is made before 12 November 2013;
- (b) which has been issued with an import permit before 9 November 2013;
- (c) which is shipped before 9 November 2013; or

(d) which is placed in a bonded warehouse before 9 November 2013.

Provided that the motor car is cleared from Customs on or before 1 March 2014 or such other date as may be prescribed. »

Amendments agreed to.

Clause 31, as amended, ordered to stand part of the Bill.

Clause 32 (Commencement)

Motion made and question proposed: “that the clause stand part of the Bill”.

Mr Duval: Mr Chairperson, I move for the following amendment -

« In clause 32, by deleting subclause (5) and replacing it by the following subclause -

(5) Sections 7(a)(ii), (v), (b), (g)(i)(A) and (B) and (ii) and 31 shall be deemed to have come into operation on 9 November 2013. ”

Amendment agreed to.

Clause 32, as amended, ordered to stand part of the Bill.

First to Twelfth Schedules ordered to stand part of the Bill.

The title and enacting clause were agreed to.

The Bill, as amended, was agreed to.

THE ECONOMIC AND FINANCIAL MEASURES (MISCELLANEOUS PROVISIONS)

BILL

(No. XXVIII of 2013)

Clauses 1 and 2 ordered to stand part of the Bill.

Clause 3 (Banking Act amended)

Motion made and question proposed: “that the clause stand part of the Bill”.

Mr Duval: Mr Chairperson, I move for the following amendment -

“In clause 3(p), in the proposed new section 96B(2), by deleting the words “Without prejudice to” and replacing them by the words “Notwithstanding section 16 of”;

Amendment agreed to.

Clause 3, as amended, ordered to stand part of the Bill.

Clauses 4 to 16 ordered to stand part of the Bill.

Clause 17 (Financial Intelligence and Anti-Money Laundering Act amended)

Motion made and question proposed: “that the clause stand part of the Bill”.

Mr Duval: Mr Chairperson, I move for the following amendments -

« In clause 17 –

(i) in paragraph (a) (iii), in the proposed paragraph (d)(ii), by inserting after the word “transaction”, the words “in accordance with any guidelines, instructions or rules issued by a supervisory authority in relation to exempt transactions.”

(ii) By deleting paragraph (b) and replacing it by the following paragraph

–

(b) in section 9(4), by inserting, after the words “favour and”, the words “subject to section 12”;

(iii) in paragraph (c), by deleting subparagraph (ii) and replacing it by the following subparagraph –

(ii) by adding the following new subsections –

(5) Any penalty collected by the Director under subsection (4) shall, as soon as practicable, be paid into the Consolidated Fund.

(6) For the purposes of section 18(3A), a regulatory body which exercises control over members of a relevant profession or occupation may require any member of the relevant profession or occupation to furnish it with such information and produce such record or document at such time and place as may be required in writing by the regulatory body.

(7) Any member of a relevant profession or occupation who fails to furnish the information or produce the record or document required under subsection (6) shall not commit an offence and shall, on conviction, be liable to a fine not exceeding 500,000 rupees and to imprisonment for a term not exceeding 5 years.

(iv) in paragraph (d), by deleting the proposed new subsection (6) and replacing it by the following subsection –

(6) The Board shall not have the power to consider discuss or deliberate on any matter relating to the lodging, analysing, reporting, requesting or disseminating of information in respect of any suspicious transaction report, nor will it have access to information concerning any suspicious transaction report.

(v) by deleting paragraph (e) and replacing it by the following paragraph –

(e) in section 13, by adding the following new subsections -

(4) Where a bank, financial institution, cash dealer or member of a relevant profession or occupation receives a request for further information under

subsection (2) or (3) the bank financial institution, cash dealer or member of the relevant profession or occupation shall, as soon as practicable, but not later than 15 working days, furnish the FIU with the requested information.

(5) Where a report of a suspicious transaction has been made under section 14, the Director shall –

(a) In the case of a bank, financial institution or cash dealer, not later than 15 days before the end of the 7th year following the completion of the transaction to which the suspicious transaction report relates; or

(b) in the case of a member of a relevant profession or occupation, at any time,

by written notice, require the bank, financial institution, cash dealer or member of the relevant profession or occupation, as the case may be, to keep the records in respect of that suspicious transaction for such period as may be specified in the notice.

(vi) by deleting paragraph (g) and replacing it by the following paragraph –

(g) in section 15, by adding the following new subsection –

(3) No report of a suspicious transaction shall be required to be disclosed, or be admissible as evidence, in any court proceedings. »

Amendments agreed to.

Clause 17, as amended, ordered to stand part of the Bill.

Clauses 18 to 21 ordered to stand part of the Bill.

Clause 22 (Immigration Act amended).

Motion made and question proposed: “that the clause stand part of the Bill”.

Mr Duval: Mr Chairperson, I move for the following amendments -

« In clause 22, by adding the following new paragraph -

(c)in section 10A –

- (i) in the heading, by deleting the words “Bank guarantees” and replacing them by the words “Written undertakings”;
- (ii) by deleting the words “a bank guarantee in the sum not exceeding 50,000 rupees or such other sum as may be prescribed,” and replacing them by the words “a written undertaking.”

Amendments agreed to.

Clause 22, as amended, ordered to stand part of the Bill.

Clauses 23 to 46 ordered to stand part of the Bill.

Clause 47 (Commencement)

Motion made and question proposed: “that the clause stand part of the Bill”.

Mr Duval: Mr Chairperson, I move for the following amendment -

« In clause 47, in subclause (1), by deleting the words “Sections 5” and replacing them by the words “Sections 3(h), 5”.

Amendment agreed to.

Clause 47, as amended, ordered to stand part of the Bill.

The Schedule ordered to stand part of the Bill.

The title and enacting clause were agreed to.

The Bill, as amended, was agreed to.

On the Assembly resuming with Mr Speaker in the Chair, Mr Speaker reported accordingly.

Third Reading

On motion made and seconded, the following Bills were read a third time and passed -

- (i) The Finance (Miscellaneous Provisions) Bill ;
- (ii) The Economic and Financial Measures (Miscellaneous Provisions) Bill (No. XXVIII of 2013)

ADJOURNMENT

The Deputy Prime Minister: Mr Speaker, Sir, I beg to move that this Assembly do now adjourn to Wednesday 18 December 2013 at 3.30 p.m.

The Vice-Prime Minister, Minister of Finance and Economic Development (Mr X. L. Duval) rose and seconded.

Question put and agreed to.

Mr Speaker: The House stands adjourned.

At this stage, the Deputy Speaker took the Chair.

MATTER RAISED

(10.24 p.m.)

HUG - TECHNICIENS DE SALLE D'OPÉRATION - TRAINING

Mr A. Ganoo (First Member for Savanne & Black River): M. le président, eu égard à l'heure tardive et puisque nous sommes à l'orée de la saison festive, je ne m'attarderais pas sur mon intervention.

Pour être plus bref et plus clair, M. le président, comme vous l'avez vu, c'est une intervention qui concerne le ministre de l'éducation et *human resources* et l'honorable ministre de la Santé et la qualité de la vie.

M. le président, peut-être pour aller plus vite, pour être plus concis et plus clair, je citerai un reportage qui a paru dans un journal, ‘Le Mauricien’. En lisant quelques extraits, la Chambre saura la raison d’être de cette intervention. Le titre, donc, est -

“FORMATION HRDC:20 techniciens en salle d’opération reçoivent leur certificat.”

“Vingt jeunes venant de compléter leur formation de technicien en salle d’opération par le biais du *Human Resource Development Council (HRDC)* ont reçu leur certificat cette semaine. C’était à Ébène en présence du ministre de l’Éducation, l’honorable Vasant Bunwaree. Après cette formation, qui est une collaboration entre les Hôpitaux Universitaires de Genève (HUG), le ministère de la Santé, le *Mauritius Institute of Health* et le *HRDC*, les diplômés auront maintenant l’occasion de travailler dans des institutions médicales en Suisse pour une période de trois ans. Ce programme de formation a pour objectif d’améliorer la qualité du service offert dans les salles d’opération à Maurice et de favoriser la transmission des connaissances sur le plan de la profession médicale(...).

La formation de 20 jeunes a consisté en des stages dans les salles d’opération dans les cinq hôpitaux régionaux ainsi qu’à l’hôpital Apollo Bramwell. Les sessions ont été conduites par les experts des HUG avec le soutien de *mentors* locaux. Selon le *HRDC*, cette formation s’adresse aux jeunes, ayant terminé leurs études secondaires, et cadre avec la politique du gouvernement de faire du pays un *medical hub* (...). De son côté, le ministre de l’Éducation a félicité les jeunes diplômés. Selon l’honorable Vasant Bunwaree, “le bloc opératoire est un lieu de haute technicité et exige une discipline rigoureuse. Les bonnes pratiques organisationnelles des salles d’opération reposent en tout premier lieu sur une équipe efficace et performante”. Cette collaboration, indique-t-il, “démontre non seulement le ferme engagement du gouvernement en faveur du développement des ressources humaines mais affirme aussi la volonté des partenaires locaux et internationaux de s’unir afin de promouvoir le secteur de la santé.”

C’est la fin de la citation, M. le président. Donc, voilà en résumé ce qui s’est passé.

There was an advertisement in the papers regarding the recruitment of some youngsters to be employed as Surgical Operating Room Technicians. Government, in fact, announced this measure officially and the trainee would be for a period of 18 months in Mauritius following

which they would proceed to work at HUG in Switzerland for three years *d'emploi perfectionnement à Genève*.

So, the advertisements were posted in the newspapers, the interviews were conducted, the applicants were asked if they were ready to invest themselves in a training programme which would be non-remunerated. They would be working in the hospitals free in return for the fact that they would acquire skills and first hand knowledge. So, Mr Deputy Speaker, Sir, 20 young people were recruited and their training started. This was even covered by our local television channel MBC in the news on the same day that the 20 people were selected.

What happened afterwards, Mr Deputy Speaker, Sir? They were informed. During these 18 months of trainingship, I must say, according to information that was given to me, they underwent tough times, Mr Deputy Speaker, Sir. They encountered many difficulties. There was no official syllabus. It was only after a visit from a *Chargé de Formation* from HUG that things were clarified and they were asked to prepare themselves for examination, there was a delay in the practical side of their course, a three-month extension for practice was granted to make up for the lost time which increased on 18 months training programme to 21 months.

I must say also, Mr Deputy Speaker, Sir, that finally they came to know that there was some apprehension as to their arrival in Switzerland and then things take a different turn. They were told that they would be coming on a one-year contract instead of three years, they were told that they were going to be under student visa which would not allow them to work as the original contract mentioned, but they persevered and they succeeded in their examinations, they were complimented on the fact that they achieved much higher levels than was expected from them in terms of grading and performance. Therefore, once their examinations were over, it was only a matter of wish for them to fly out to the HUG, according to what they believe. But the examinations ended in November 2012 and they were advised that they would leave in January 2013, but this was not the case and they received their testimonials only in February 2013 and during that ceremony, it was mentioned that they would be leaving imminently as it was only a matter of the approval from the offices in Switzerland. They were explained that the procedures were taking some time and they were expected to leave by July 2013. Then, the date was postponed again to September 2013. So, Mr Deputy Speaker, Sir, to cut a long story short, these young people who are in despair, are still in Mauritius. They were invited to different meetings,

but no final answer has been given to them and they are completely in the dark and doubtful as to their future.

Now, another difficulty, Mr Deputy Speaker, Sir, was that in the original advert, they would have received a *certificat fédéral de capacité*, but, to their surprise, they only obtained an *attestation de participation*, which is completely different from what they should have received. Mr Deputy Speaker, Sir, this course - they were told and in fact it was - was a first of its kind in Mauritius, and all these 20 young people who hail from humble families devoted themselves *corps et âme* without second thoughts.

Many of them agreed to disregard their jobs, their responsibilities which they had, they resigned from their jobs to embrace this new career. Others renounced their studies in universities from Mauritius and abroad, thinking of the new opportunity of a lifetime which had been offered to them. All this decision-making was based on the advert which was placed in the newspaper and, in fact, they have been enticed, according to them, by the description of the various opportunities available, and they really thought that they would be gaining world renowned experience from a world-class hospital.

So, this is where things rest, Mr Deputy Speaker, Sir. This is why I am making an appeal to the hon. Minister of Education and Human Resources, to the Ministry of Health and Quality of Life also, and even to the Minister of Foreign Affairs, Regional Integration and International Trade, because hon. Dr. A. Boolell was also dealing with the Swiss authorities via the Mauritian Mission in Geneva to resolve the issue.

I understand that the issue, in fact, originates from Switzerland, because at one time the Swiss authorities decided not to approve of these young Mauritians coming to Switzerland, because of immigration requirement and so on. But, be it as it may, Mr Deputy Speaker, Sir, I also understand that the HRDC has requested the Ministry of Health and Quality of Life to explore the possibility of recruiting and employing these students in the regional hospitals in Mauritius, being given that all of them have successfully completed their training as *technicien salle d'opération*, and they have the required skills and competencies to work in the *bloc opératoire* of the hospitals in Mauritius.

Where is the solution? I am sure, *avec la bonne volonté de nos ministres concernés*, a solution can be found, Mr Deputy Speaker, Sir. Therefore, I am appealing to Government, in view of the fact that these youngsters have lost nearly two or more years of their lives, they have invested themselves, they have abandoned their other projects, and they are now in despair. I am sure this is a sympathetic case. I know that some of the Ministers have been trying to do their best to find a solution, but may I appeal to all the Ministers concerned, Mr Deputy Speaker, Sir, to lend a sympathetic ear to these young people and to urgently find a solution, so that these young people and their families might hope for more better days ahead, better days next year. I am sure my appeal will not be landing on deaf ears, and I trust Government will try to find a solution to this thorny problem.

I have done, Mr Deputy Speaker, Sir.

The Minister of Education and Human Resources (Dr. V. Bunwaree): Mr Deputy Speaker, Sir, with your permission, regarding the issue raised by the hon. First Member for Savanne and Black River, I wish to state the following -

In the context of a tripartite MoU signed by the Ministry of Health and Quality of Life, the HRDC, and the *Hôpitaux Universitaires de Genève (HUG)* on 15 July 2010, to strengthen cooperation with Switzerland in the medical and paramedical fields, and to provide for exchange and training in the area of special needs, medical training, it was agreed that a team from *HUG* would conduct the training in Mauritius for a batch of 20 school leavers having SC, HSC in, I quote, '*technicien de salle d'opération*', for a period of 18 months. It was expected that they would thereafter proceed to work at *HUG* in Switzerland for, I quote again, '*Trois ans d'emploi perfectionnement à Genève*' with a reasonable salary.

The costs of air tickets and accommodation for some 12 experts from *HUG* to deliver specific training in Mauritius were borne by the HRDC. The Mauritius Institute of Health (MIH) was also roped in to conduct both practical and theoretical sessions and oversee the training. The Ministry of Health and Quality of Life provided opportunities for placement to the trainees in the five regional hospitals for hands-on experience during the training. The course, which started on 05 April 2011 and completed in October 2012, was provided to the 20 *techniciens de salle d'opération* (TSO) students, free of charge, as the HRDC took on board the training costs.

Examinations for both practical and theoretical were held in November 2012 under the supervision of *HUG*.

In regard to that part of the training which was to take place in Switzerland, *HUG* verbally informed the HRDC in 2012 that they were encountering some problems, as the media and other stakeholders in Switzerland were raising concerns on the recruitment of TSO from Mauritius and, as such, *HUG* was having in processing the work permit for the 20 students. They had submitted an application to the authorities in Switzerland regarding same, but the application was rejected. Thereafter, *HUG* proposed, as an alternative, to enlist the 20 trainees for one year as students against payment of a stipend which, according to the immigration laws in Switzerland, was permitted. Unfortunately, this proposal was abandoned by *HUG* at a later stage.

During the award of certificates ceremony held on 13 February 2013, the Director-General of *HUG* agreed, on behalf of *HUG*, to provide a monthly stipend of Rs5,000 to each of the 20 students until their departure for Geneva, given the delay in obtaining their work permits. In this respect, an amount of 25,000 CHF, approximately Rs804,375, was transferred by *HUG* to the HRDC. The stipend was being paid from February 2013 to the students, and lasted up to October 2013.

Following discussions with *HUG*, the option of circular migration was also looked into. However, despite obtaining green light from the Ministry of Labour, Industrial Relations and Employment to facilitate this initiative, the Swiss authorities did not agree to same. The assistance of the Ministry of Foreign Affairs, Regional Integration and International Trade was then solicited to pursue the matter with the Swiss authorities via the Mauritian Mission in Geneva.

On 08 October 2013, the Minister of Foreign Affairs, Regional Integration and International Trade conveyed a proposal from *HUG* for the 20 trainees to complete their training in Mauritius for a period of six months in lieu of Geneva, whereby *HUG* would contribute towards the payment of costs of their experts to come to Mauritius for the said training, and covering a stipend of Rs12,000 approximately to each trainee for the six months' period and cost of mentors.

However, in a mail dated 21 October 2013, the students declined this proposal made by *HUG*. The trainees have also sent an e-mail on 30 October 2013 to the new Director-General of *HUG*, Mr Bertrand Levrat, seeking for an alternative solution, and requesting him to send a representative to Mauritius to find another alternative. *HUG* is agreeable to sending a representative to Mauritius, and I am informed that Mr André Laubscher, *Directeur des Soins* at the *Hôpitaux Universitaires de Genève (HUG)*, will be coming to Mauritius from 14 January 2014 to 17 January 2014 to hold discussions with the TSO students. Representatives from the Ministry of Health and Quality of Life, the Mauritius Institute of Health, the Mauritius Qualifications Authority, the Ministry of Labour, Industrial Relations and Employment, and the Ministry of Foreign Affairs, Regional Integration and International Trade would also be invited at the said meeting.

Meanwhile, the Ministry of Foreign Affairs, Regional Integration and International Trade was formally requested to take up the matter with His Excellency, Mr Christian Meuwly, Ambassador of the Confederation of Switzerland, during his visit on 19 November 2013. The matter was raised with the Ambassador, who promised to take up the matter with the Swiss authorities. The Ministry of Foreign Affairs is closely following up, and it is expected that a negotiated settlement will be reached.

Nonetheless, I wish to reassure hon. Members and the hon. Member who raised the matter that my Ministry will explore all avenues, through bilateral discussions and negotiations with the Swiss authorities, to resolve this matter to the satisfaction of all parties.

Thank you.

At 10.42 p.m. the Assembly was, on its rising, adjourned to Wednesday 18 December 2013 at 3.30 p.m.

WRITTEN ANSWERS TO QUESTIONS

BAGATELLE DAM PROJECT – CONTRACT

(No. B/967) Mr G. Lesjongard (Second Member for Port Louis North & Montagne Longue) asked the Deputy Prime Minister, Minister of Energy and Public Utilities whether, in regard to the Bagatelle Dam Project, he will state –

- (a) the name of the consultant therefor, indicating the fees paid out thereto;
- (b) the names of the -
 - (i) members of the evaluation committee, and
 - (ii) negotiating team therefor, indicating their respective field of expertise and experience ;
- (c) the total cost thereof ;
- (d) if the advice of the State Law Office was sought and obtained prior to the award of the contract, and
- (e) if works onsite were stopped and, if so, indicate –
 - (i) when ;
 - (ii) the reasons therefor, and
 - (iii) the amount of money, if any, claimed as penalties in relation thereto.

Reply: With regard to part (a) of the question, the name of the consultant is Coyne et Bellier (France) in association with Servansingh/Jadav and Partners (Mauritius) and the value of the consultancy services contract is Rs169 m. (inclusive of VAT). So far, an amount of Rs132 m. has been paid to the consultant.

I am tabling the information sought in respect of (b) (i) and (b) (ii) regarding the composition of the Evaluation Committee and Negotiating Team. The consultant Coyne et Bellier acted as Technical Adviser to both the Bid Evaluation Committee and the Negotiating Committee.

With regard to part (c) of the question, the works contract has been awarded in the sum of Rs3,332 m. inclusive of 10% contingencies and 15% VAT.

With regard to part (d) of the question, advice was sought from the Attorney General's Office by the Procurement Policy Office prior to the award of the contract. The PPO informed my Ministry that section 3(c) of the Public Procurement Act will apply if the condition for negotiating with only one contractor is mandatory under the loan agreement.

With regard to part (e) (i) of the question, prior to carrying out the detailed design, the consultant requested for geological, geotechnical and trial embankment investigations to assess the soil parameters on the site. These investigations confirmed the heterogeneous nature of the

soil as identified during the feasibility study phase. Based on the results of the site investigations the consultant carried out the detailed design, including the two main components of the dam, namely the spillway and foundation treatment for water tightness.

Moreover, the consultant requested for further geological investigations under the spillway at the start of the works. These investigations revealed that the weathered basalt had poor strength characteristics to safely sustain the foundation of the massive “Ogee” concrete spillway.

Accordingly, the consultant changed the spillway to a “Morning Glory” type and suspended the works related to the original “Ogee” spillway in July 2012. Works continued on other components of the project, namely construction of diversion canal, quarry development, borrow areas.

The consultant lifted the suspension on 03 September 2012. The construction of the “Morning Glory” spillway is in progress.

As regards the water tightness of the dam and its foundation, the consultant initially provided for grouting. However, trial grout tests and extended deeper grouting at shorter intervals of 75 cms revealed the ineffectiveness of this method for the water tightness of the dam.

As a result of the two major design changes made by the consultant, my Ministry sought the advice of an independent Expert on the matter. The Expert concluded that the risk of dispersivity of the soil cannot be entirely ruled out and the extended grouting instructed by the consultant is not effective due to the clayey nature of the soil.

In view of the diverging opinions of the consultant and the Independent Expert, my Ministry convened a high-level meeting in January 2013. At this meeting, the parties agreed that, on the “*Principe de Précaution*”, a cut-off wall be constructed along the entire dam foundation in replacement of grouting as the safety of the dam should be the prevailing criteria given the location of the dam.

The grouting works were suspended by the consultant on 26 January 2013 to allow for the design of the cut-off wall and the procurement of the services of a specialised sub-contractor for the cut-off wall. Meanwhile, works on other components of the dam continued.

With regard to parts (e) (ii) and (iii) of the question, further to the suspension of works due to the design changes, the contractor has given notice of 12 claims for extension of time and additional costs amounting to a total sum of Rs1.3 billion. The consultant has provisionally estimated that an amount of Rs300 m. is payable. An amount of Rs130 m. inclusive of VAT has already been paid to the contractor as claims.

As I have already informed the House, my Ministry is initiating action to terminate the contract of the consultant, and also to declare a dispute with a view to claiming compensation for prejudice suffered as a result of the design changes.

PAILLES TREATMENT PLANT – UPGRADING

(No. B/968) Mr G. Lesjongard (Second Member for Port Louis North & Montagne Longue) asked the Deputy Prime Minister, Minister of Energy and Public Utilities whether, in regard to the Project for the Design-Build/Turnkey and to Operate the upgraded Pailles Treatment Plant, he will, for the benefit of the House, obtain from the Central Water Authority, information as to the –

- (a) number of times the estimates therefor have been updated, indicating the percentage difference in each case;
- (b) who prepared the bid documents for the emergency procurement exercise therefor, and
- (c) procedure followed for the retention of the services of Aurecon as consultant to assist in the -
 - (i) evaluation of the proposals, and
 - (ii) negotiations with the preferred bidder.

Reply: With regard to part (a) of the question, I am advised that in December 2009, Gibb (Mauritius) Ltd was appointed to provide consultancy services for the feasibility study, preliminary design and supervision of works for the upgrading of the Pailles Treatment plant. The consultant recommended that bids be invited on a design, build and operate basis for the rehabilitation of the existing slow sand filters with a capacity of 50,000 m³ per day and the construction of a new rapid gravity sand filter with a capacity of 30,000 m³ per day under two options, namely chemical pre-

treatment and physical pre-treatment. Bidders could also submit an alternative offer for a total treatment capacity of 50,000 m³ per day.

The cost estimates, inclusive of VAT and contingencies, submitted by the Consultant in January 2011 were as follows -

Option 1 – Chemical pre-treatment Rs429 m., and

Option 2 - Physical pre-treatment Rs450 m.

The consultant's estimates were based on the latter's initial conceptual design to invite bids for works on a design and build basis. In order to cater for any specific design item that a potential bidder may have, the consultant had made provisions in the BOQ for any additional item as per the contractor's design.

I am further informed that, in January 2011, the Bid Evaluation Committee set up by the Central Procurement Board amended the cost estimate of the consultant in respect of Option 1 from Rs429 m. to Rs600.7 m. inclusive of 10% contingencies and 15% VAT. The cost was updated mainly to account for additional items quoted by the retained bidders over and above the BOQ prepared by the consultant.

I am also advised that, following evaluation of bids, the CWA was directed by the Central Procurement Board to set up a Negotiating Panel to negotiate with the lowest evaluated bidder. The Negotiating Panel, with the assistance of the consultant, further updated the cost estimate from Rs600.7 m. to Rs670 m. based on adjustments relevant to additional items as provided for the Bill of Quantities but not originally estimated by the consultant.

With regard to part (b) of the question, I am advised that the same bid documents prepared in 2010 were used for the purpose of the emergency procurement. However, the bidder, JV Sotravac/Berlinwasser was also requested to submit quotations for two other options which were also proposed in the first bidding exercise, namely -

- (i) the construction of a new rapid gravity sand filter with a production capacity of 50,000m³/day and rehabilitation of the existing slow sand filters with a production capacity of 30,000m³/day, and

- (ii) the construction of a new rapid gravity sand filter with a production capacity of 80,000m³/day.

With regard to part (c) (i) and (ii) of the question, regarding the appointment of Aurecon, I am informed that on 25 March 2013, the CWA invited quotations from three reputed international consultancy firms for “the provision of services for ascertaining bid prices of bid from joint venture Sotraviv/Berlinwasser International for the upgrading of the Pailles water treatment plant”. The three firms were Mott Mac Donald Ltd from UK, Aurecon from South Africa and Montgomery Watson Harza from USA.

However, only Aurecon responded by the closing date of 29 March 2013. From April to May 2013, a Water Treatment Specialist and a Quantity Surveyor from Aurecon analysed the technical and financial proposals of JV Sotraviv/Berlinwasser and assisted the CWA in the negotiations. An amount of 364,704 Rands have been paid to Aurecon.

BIOMASS DEVELOPMENT SCHEME – ARUNDODONAX CROP - CULTIVATION

(No. B/969) Mr M. Seeruttun (Second Member for Vieux Grand Port & Rose Belle) asked the Minister of Environment and Sustainable Development whether, in regard to the proposed cultivation of the ArundoDonax crop on a commercial basis under the Biomass Development Scheme, he will, for the benefit of the House, obtain from the Maurice Ile Durable Commission, information as to if a prior scientific study has been carried out to explore the potential thereof as a substitute for coal and, if so, indicate the outcome thereof.

Reply: I am informed by the Maurice Ile Durable Commission that the Agricultural Research and Extension Unit and the University of Mauritius have been commissioned by a private promoter to carry out scientific and technical studies on the use of ArundoDonax as a biomass crop to produce energy and the studies are still underway.

Preliminary results of the studies have shown that -

- (i) ArundoDonax is a scientifically proven good biomass crop with a high energy content nearing that of bagasse, and with practically no negative impact on the environment;

- (ii) ArundoDonax plant has a good potential for commercial cultivation as a biomass crop with a first yield after 43 weeks following plantation with a yield of 220 tonnes/ha green biomass and 95 tonnes/ha dry matter;
- (iii) No major pest and disease having an important economic bearing were observed in all the experimental sites, and
- (iv) Fertiliser demand of the crop appeared to be of moderate level and water demand is critical only during the early stage of the crop.

Trials are still ongoing to confirm results obtained so far.

FILM INDUSTRY - SHOOTING

(No. B/971) Mrs J. Radegonde-Haines (Fourth Member for Savanne and Black River) asked the Minister of Arts and Culture whether, in regard to the film industry, he will give details of the seven films which have been approved to be shot in Mauritius, as announced in the 2014 Budget Speech, including the names of the producers and the calendar of shooting activities thereof.

Reply (Minister of Finance): The Film Rebate Scheme (FRS) was introduced in the 2012 budget to stimulate the interest of both local and international film makers and encourage the setting up of a film industry in Mauritius. To provide an additional boost to this activity, the threshold which was at a 25% rebate for the qualified production expenditure in Mauritius was increased to 30% in March this year.

The FRS is open to any film production company registered in Mauritius, including those with 100% foreign ownership. It is also open for projects using the services of a locally-registered production services company.

The scheme covers a wide range of productions and projects, namely –

- Feature films
- Documentaries
- Digital animated films
- Reality TV
- High-end TV commercials

- Tele-movie or single episode drama television programme
- Episodes of factual, natural history, lifestyle, magazine or commercial programmes.

The minimum local qualifying spend per project is –

- Feature Films (including animation) : 100,000USD
- Television drama series or single dramas : 50,000 USD
- Television documentaries: 50,000 USD
- TV commercials: 30,000 USD
- Other Television Programs : 30,000 USD

The following items are included in the Qualifying Production Expenditure–

- Travel to Mauritius (by air and by sea)
- Accommodation in Mauritius
- Catering services
- Ground transport and facility vehicle services
- Labour costs including non-nationals
- Post-production services (picture and sound)
- Production service company fees
- Professional services (such as insurance, legal and accounting services)
- Rental of camera and lighting equipment

As at last Budget April 2014, 13 projects have been approved under the Film Rebate Scheme with the total production expenditure estimated at MUR around Rs145 m.

The list of projects which have been approved is being tabled.

Upon completion of the projects, the producers will have to submit a detailed report from their auditors, together with supporting documents, certifying the amount of qualifying production expenditure.

In addition to the 13 projects for feature films, I am informed that the Board of Investment has approved five projects for TV commercials and location scouting for 10 feature films.

BOIS SEC - PROPERTY DEVELOPMENT PROJECT

(No. B/972) Mr A. Ganoo (First Member for Savanne & Black River) asked the Minister of Environment and Sustainable Development whether, in regard to the Property Development Project at Bois Sec, he will state –

- (a) the names of the promoters thereof ;
- (b) the extent of the land involved ;
- (c) the nature thereof ;
- (d) if an EIA Licence has been issued in relation thereto and, if so, indicate the assessed impact thereof, if any, on the development of the water resources, and
- (e) if any land conversion issue is involved in relation thereto.

Reply: The promoter of the project at Bois Sec is Arthur & Morgane Ltd, represented by Mr Michel Chan Sui Ko.

As regards part (b) of the question, the total extent of land involved is 229.9 hectares.

Concerning part (c) of the question, the project involves the setting-up of a golf course and the subdivision of land for residential purposes including three lots for Real Estate Scheme (RES) and one lot for commercial development.

With respect to part (d) of the question, an EIA Licence for the proposed development of golf course at Bois Sec was granted on 03 August 2012, whereas the EIA Licence for the proposed subdivision of a plot of land was granted on 31 May 2013. Furthermore, the proponent has been requested to submit a separate EIA for the RES project.

The EIA reports for the golf course and the subdivision of land have addressed the potential impacts of the proposed developments on the water resources with appropriate

mitigating measures. Besides, the EIAs require that the rivers and feeders crossing the site should not be tampered with and be preserved with appropriate setbacks.

In addition, all the conditions imposed by the Water Resources Unit have been reflected in the EIA licences and which concern, amongst others, compliance with all provisions of the Rivers and Canals Act and Forests and Reserves Act.

Moreover, the promoters will have to carry out monitoring of the water quality of the rivers and feeders crossing the site and feeding the proposed Rivière des Anguilles Dam on a regular basis and submit the results to my Ministry, the Water Resources Unit and the Central Water Authority.

The EIA for the golf course also requires an Integrated Turf Management Plan focussing on the judicious application of fertilisers and other chemicals as well as utilisation of organic fertilisers.

I wish also to point out that continuous monitoring will be ensured through the EIA monitoring mechanism comprising the relevant stakeholders.

As regards part (e) of the question, this issue concerns the Ministry of Agro-Industry and Food Security. The hon. Member may, therefore, address this question to that Ministry.

LA VIGIE ROUNDABOUT – DECAEN STREET – STATE LANDS

(No. B/973) Mr E. Guimbeau (First Member for Curepipe & Midlands) asked the Minister of Housing and Lands whether, in regard to the strategic State lands located on both sides of the Decaen Street, at the level of La Vigie round about to that of the SBM Park and to the National Transport Authority Centre in Curepipe, he will state their respective status, indicating if they have been leased and in each case, indicate the -

- (a) name of the lessee thereof ;
- (b) date of signature of lease;
- (c) terms and conditions thereof;
- (d) annual rental, and
- (e) purpose thereof.

Reply: The information requested is being compiled and will be placed in the Library of the National Assembly once completed.

MAURICE ILE DURABLE - PLASTIC SHOPPING BAGS - BAN

(No. B/978) Ms K. R. Deerpalsing (Third Member for Belle Rose & Quatre Bornes) asked the Minister of Environment and Sustainable Development whether, in regard to *Maurice Ile Durable*, he will state if Government proposes to ban the use of plastic shopping bags, in Mauritius, as is the case in Rwanda.

Reply: A major policy of the Government is to minimise the use of plastic bags through the introduction of an excise duty on all plastic carry bags with handles. This was announced in the 2006/2007 Budget Speech. These bags have thus been subject to R 1 excise duty as from July 2006 and Rs2 as from November 2010.

In addition, since 2012, my Ministry has started the implementation of a Zero Plastic Strategy. A series of initiatives have been taken to promote the use of alternatives namely -

- the distribution of some 50,000 cloth bags in schools, women centres and community centres;
- the distribution of some 310,000 Jute bags (long lasting bags) by Mauritius Telecom Group and the Ministry of Environment and Sustainable Development to the public during different functions such as Women's Day, World Environment Day, Earth Day, Clean Up the World and sensitisation campaigns;
- provision of 1.4 million paper bags manufactured locally to malls and supermarkets by a private promoter;
- the promotion of '*tente bazaar*' and alternatives to plastic bags in supermarkets;
- continuous aggressive sensitisation campaigns carried out on the impacts of plastics on our environment and the importance to use alternatives to plastic bags. Over 200 talks have been delivered in schools, Youth Centres, Social Welfare Centres, Women Centres, among others, and
- under the Africa Adaptation Programme, 10 sewing machines were procured and donated to the National Institute for Cooperative Entrepreneurship (NICE). The purpose is to empower and train women to manufacture and sell eco bags which can serve as an alternative source of livelihood and promote low carbon footprint. Some 100,000 eco bags are expected to be manufactured annually including special cloth bags for '*Baguette bread*'.

My Ministry is also using a holistic approach not only in respect of plastic bags but plastic bottles as well, which are causing damage to the environment. Government has introduced a grant scheme in the budget to encourage the collection of pet bottles.

As a result of the initiatives taken to reduce the use of plastic bags, the following have been noted -

- production of plastic bags has gone down by around 60%, from some 1500 tonnes to 600 tonnes, since the introduction of the R1.00 levy on plastic bags with handles in 2006;
- the imposition of the levy has brought significant reduction in the use of plastic bags, particularly in supermarkets;
- use of *tente bazaar* has gone up by 10%, and
- plastic in the waste stream has gone down by 20%.

It is to be noted that the use of plastic bags for packaging of items such as lentils, dholl, butter peas, etc. cannot be banned overnight as we have to give the traders time to shift to paper packing which is more expensive. However, with the various initiatives being taken by Government, it is expected that the use of plastic bags will phase out ultimately.

OMBUDSPERSON FOR CHILDREN - REPORT - CHILDREN WITH DISABILITIES

(No. B/979) Mrs L. Ribot (Third Member for Stanley & Rose Hill) asked the Minister of Social Security, National Solidarity and Reform Institutions whether she will state if she has taken cognizance of the Ombudsperson for Children's Report 2012-2013 and, if so, indicate the recommendations in regard to the children with disabilities contained therein which she proposes to implement, in the short term and in long term respectively.

Reply: I have taken cognizance of the report.

Regarding the recommendations of the Ombudsperson for Children concerning children with disabilities, I would like at the very outset to point out that they cut across different Ministries and Departments.

However, as my Ministry has the overall mandate of disability, I keep a close watch on the general situation regarding children with disabilities.

In fact, I personally chair a Steering Committee to monitor the implementation of the provisions of the UN Convention on the Rights of Persons with Disabilities which Mauritius has signed in 2007 and ratified in 2010. This Committee meets twice a year whereas the various sub-committees meet on a regular basis. This Convention marks an important paradigm shift from the medical model of disability to the social model emphasizing on the abilities of persons with disabilities.

I shall reply on issues pertaining to my Ministry but regarding the recommendations pertaining to other Ministries, such as Ministry of Education and Human Resources: especially that of a 100% increase of grant-in-aid to specialized schools for children with disabilities, Ministry of Health and Quality of Life and Ministry of Public Infrastructure and Land Transport, I shall table all relevant information. I wish to express my immense satisfaction for the landmark decision taken in Budget 2014 to establish a parity between the amount spent on the education of a disabled child and that of non-disabled child. This goes a long way in equalizing opportunities for children with disabilities.

With the recommendation concerning the Adoption of an Inclusive Approach by the State, I wish to inform the House that Government has already adopted an inclusive approach on the issue of disability. In fact, the concept of an inclusive society is the very bedrock of the policy of this Government and it is embedded in Government Programmes 2005-2010, 2010-2015 and 2012-2015.

My Ministry is presently in consultation with the Ministry of Education and Human Resources to initiate necessary actions on the advisability of removing after proper consultation with the Attorney General's Office, the reservation on Article 24.2(b) of the UNCRPD.

We are implementing a decentralization of services including investment with IT with a view to making them accessible to more children with disabilities. I am tabling all additional information on this.

An effective training programme is being provided for all carers and educators. My Ministry has been carrying out training programmes for formal and informal carers since 2010. I am proposing to extend the training to carers working with NGOs and the Ministry of Education and Human Resources is taking care of Educators training programme.

In line with Article 30 of the UNCRPD, parasports is being provided to children with disabilities and I wish to inform the House that the National Council for the Rehabilitation of

Disabled Persons organises sports activities regularly for children with disabilities and the last one in November 2013 was a successful one and I would also like to inform the House that a School for Performing Arts has been set up by my Ministry to develop the talents of children with disabilities.

I wish to inform the House that there is already a forum known as the Young Voices for children with disabilities and next year, my Ministry is proposing to set up a Children with Disabilities Forum similar to the Forum of Women with Disabilities.

The Disability Unit of my Ministry is actually acting as a one-stop-shop to enable parents to access all facilities and services provided by the State to children with disabilities. I wish to inform the House that the Disability Unit already serves as a focal point for disability issues and is instrumental in the conceptualisation and implementation of new disability policies.

It is worth mentioning that the new budgetary measures 2014 regarding the raising of income ceiling by Rs100,000 for parents of children with disabilities to be eligible for Carers Allowance and extending the age limit for the beneficiaries of Specialised Allowances from 15 to 18 years have emanated as proposals from my Ministry.

It is to be noted that my Ministry came up with a National Policy Paper and Action Plan on Disability for the first time in 2007 and this has been an important tool in the implementation of various policies and programmes in the disability sector. I wish to inform the House that, with a view to consolidating all our efforts and pushing forward the agenda of Disability, my Ministry is reviewing the National Policy Paper and Action Plan with the collaboration of Leonard Cheshire Disability, UK with whom a Memorandum of Understanding has been signed accordingly. A consultative workshop with all stakeholders will be held early next year.

CASCAVELLE/FLIC EN FLAC - SECOND ACCESS ROAD

(No. B/981) Mrs S. B. Hanoomanjee (Second Member for Savanne & Black River) asked the Vice-Prime Minister, Minister of Public Infrastructure, National Development Unit, Land Transport and Shipping whether, in regard to the Cascavelle to Flic en Flac route, he will state if the construction of a second access road therefor has started and, if so, indicate where matters stand.

(Withdrawn)

ANNA, FLIC EN FLAC - SOCIÉTÉ DE LA RÉSERVE - - LAND CONVERSION

(No. B/982) Mrs S. B. Hanoomanjee (Second Member for Savanne & Black River) asked the Minister of Agro-Industry and Food Security, Attorney General whether, in regard to the *Société de la Réserve*, he will state if his Ministry is in presence of an application therefrom for land conversion at Anna, Flic en Flac and, if so indicate –

- (a) the date of receipt thereof;
- (b) the extent of land involved, and
- (c) if same has been approved and the company informed accordingly.

(Withdrawn)

PUBLIC TRANSPORT - SENIOR CITIZENS - COMPLAINTS

(No. B/983) Ms S. Anquetil (Fourth Member for Vacoas & Floreal) asked the Vice-Prime Minister, Minister of Public Infrastructure, National Development Unit, Land Transport and Shipping whether, in regard to public transport, he will, for the benefit of the House, obtain from the National Transport Authority, information as to the number of complaints received at the Complaints Unit thereof, emanating from senior citizens since 2005 to date, indicating the measures, if any, taken in relation thereto.

Reply: Since the introduction of the free travel scheme for old aged and disabled persons in 2005, to date, the National Transport Authority has received 569 complaints against bus crews, mainly due to the following reasons -

- (i) failing to admit old aged/disabled persons;
- (ii) failing to alight old aged/disabled persons;
- (iii) claiming fares from old aged/disabled persons, and
- (iv) uncivility towards old aged/disabled persons

Whenever a complaint is received, the inspectorate of the National Transport Authority carries out an inquiry to ascertain the veracity of such complaint and ensure that the problems faced by the old aged pensioners and disabled persons do not recur.

The genuine cases are then referred for disciplinary action which may lead to the suspension or revocation of the drivers' and conductors' licence under section 107(3) and 108(3) of the Road Traffic Act.

Furthermore, in cases where the bus crew has failed to admit old aged/disabled persons in breach of regulation 11B of the Road Traffic (Bus Fares) Regulations 1999, five days' payment is forfeited from the Free Travel Compensation payable to the bus operator, amounting to about Rs10,000.

Disciplinary actions against 254 offenders have effectively been taken which have led to the suspension of licence of the licensee, conductors and drivers as well. In some cases, drivers and conductors have even been dismissed.

However, in some other instances, cases have been struck out on 'benefit of doubt'.

I have instructed the National Transport Authority to exercise a very strict control and monitoring of the situation and to deal with cases of default with all the severity that they deserve so that it acts as a deterrent.

CT POWER PROJECT - RECOMMENDATIONS & REPRESENTATIONS

(No. B/985) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière) asked the Deputy Prime Minister, Minister of Energy and Public Utilities whether, in regard to the CT Power Project, he will state where matters stand, indicating if -

- (a) the National Energy Commission has published its views and recommendations in relation thereto and, if so, give details thereof, and
- (b) he is aware of the various representations of the *Platform Citoyen* and of the inhabitants of the Albion Village and of the vicinity thereof expressing strong reservations in relation to the implementation thereof and, if so, indicate the actions, if any, he proposes to take in connection therewith.

(Withdrawn)

SARAKO SOLAR ENERGY PROJECT - IMPLEMENTATION

(No. B/987) Mr A. Ganoo (First Member for Savanne & Black River) asked the Minister of Environment and Sustainable Development whether, in regard to the Sarako Solar Energy Project, he will state if -

- (a) his Ministry proposes to issue a prohibition notice or a stop order to prohibit the implementation thereof, especially, in view of the prejudicial effects same may have on the immediate neighbourhood thereof and of the risk of pollution to the environment, and
- (b) the promoter thereof is breaching any condition of the Environment Impact Assessment approved by his Ministry and, if so, indicate the measures, if any, he proposes to take in relation thereto.

Reply: I wish to inform the House that an EIA Licence was granted to Sarako PVP Co. Ltd on 19 August 2013 for the construction of a 15 MW photo-voltaic farm at Eau Bonne, Bambous.

Presently the project is in construction stage. Site preparation and installation works are underway. The proponent has complied so far with the relevant conditions that are applicable as at now. As such, the question of issuing a prohibition notice or a stop order does not arise.

However, I wish to inform the House that following the recent heavy rainfall in the region, my Ministry effected a site visit on 02 December 2013 and it was observed that the following remedial measures have been initiated by the proponent to address and avoid entrainment of rainwater and mud to the adjoining residential areas occupied by squatters -

- mud accumulation within the internal access roads has been cleared;
- spalls of rocks of about 15 cm in diameter have been laid on the internal access road, and larger rocks have been placed on slopes down the road to prevent transportation of eroded soil, and
- constructions of cut-off drains were in progress on the upper part of the site to reduce accelerated run-off water down the development.

I am informed that regular monitoring is being undertaken by officers of the Black River District Council.

Besides, as required in the EIA, the proponent has carried out a hydrological survey of the site and the report has been submitted to the relevant authorities for approval before detailed designs for construction of drains are finalised.

I wish to inform the House that the EIA Licence provides sufficient safeguards to address any risk of pollution or any adverse impacts on the environment and my Ministry will ensure that the proponent complies strictly with conditions of EIA.

**PORT LOUIS MARITIME & PORT LOUIS EAST - CLASSIFIED ROADS,
PAVEMENTS & CANALS - PROJECTS**

(No. A/306) Mr A. Ameer Meea (First Member for Port Louis Maritime & Port Louis East) asked the Vice-Prime Minister, Minister of Public Infrastructure, National Development Unit, Land Transport and Shipping whether, in regard to Constituency No. 3, Port Louis Maritime and Port Louis East, he will, for the benefit of the House, obtain from the Road Development Authority, information as to the projects, if any, earmarked for implementation thereat in relation to the classified roads, pavements and canals, indicating in each case, the -

- (a) scope of the works;
- (b) location thereof, and
- (c) expected start and completion dates thereof.

Reply: I am informed that the Road Development Authority has earmarked the following projects for implementation in Constituency No. 3, Port Louis Maritime and Port Louis East next year.

Scope of Works	Location
Resurfacing works	Military Road from CAB Office Nicolay to ABC roundabout
Upgrading of footpaths with resurfacing	St François Xavier Street
Upgrading of footpath/drains with resurfacing	Magon East Street
Resurfacing Works	Route des Pamplemousses from Abercrombie to Bernardin de St Pierre

**PORT LOUIS MARITIME & PORT LOUIS EAST – ELECTRICITY NETWORKS -
SHORT CIRCUITS**

(No. A/307) Mr A. Ameer Meea (First Member for Port Louis Maritime & Port Louis East) asked the Deputy Prime Minister, Minister of Energy and Public Utilities whether, in regard to Constituency No.3, Port Louis Maritime and Port Louis East, he will, for the benefit of the House, obtain from the Central Electricity Board, information as to if a survey will be carried out into reported cases of short circuits to the high tension and low voltage network caused by overgrown branches and for the lopping thereof.

Reply: I am informed by the Central Electricity Board that, in regard to Constituency No. 3, there have been no reported cases of short circuits on high tension and low voltage network due to overgrown branches.

However, there have been reported cases of short circuiting of networks caused by bats. The CEB has already released a Press Notice to that effect giving assurance to the public that the necessary repairs, in such circumstances, would be effected in the shortest possible delay.

Moreover, to avoid recurrent outages due to faults caused by bats, the Central Electricity Board has embarked on a gradual insulation on its High Tension and Low Voltage network.

DR REGIS CHAPERON SSS - UPGRADING

(No. A/308) Mr D. Nagalingum (Second Member for Stanley & Rose Hill) asked the Minister of Education and Human Resources whether, in regard to the Dr Regis Chaperon State Secondary School, he will state where matters stand as to Phases I and II of the project for the upgrading thereof.

Reply: With regard to Phase I of the project -

- (i) the new toilet block and site works including parking, covering of drain, fencing and tarmac have already been completed, and
- (ii) the construction of the new science block is currently ongoing and will be completed by May 2014.

Bidding documents are under preparation in respect of Phase II, which comprises the following -

- (i) rehabilitation of existing blocks, including repairs to cracks and spalling;
- (ii) review of the water piping network;
- (iii) refurbishment of staffroom;
- (iv) waterproofing works to existing blocks;
- (v) replacement of damaged naco frames and other openings by aluminium openings;
- (vi) painting of the whole school, and
- (vii) complete rewiring of the electrical system.

SAVANNE & BLACK RIVER – HOUSING ESTATES - ASBESTOS

(No. A/309) Mrs J. Radegonde-Haines (Fourth Member for Savanne & Black River) asked the Minister of Housing and Lands whether, in regard to the houses containing asbestos, he will state the number thereof located in Constituency No.14, Savanne and Black River, indicating the measures taken, if any, for the removal thereof.

Reply: In Constituency No. 14, there are 479 housing units on 8 housing estates which have been constructed using asbestos panels and corrugated iron sheets. These housing estates are located at Bel Ombre, Case Noyale, La Ferme, L'Embrasure, La Mivoie, Petit Bien, Surinam and Tamarin.

Out of these 479 housing units –

- (a) 95 original housing units have been replaced by new concrete construction;
- (b) 336 housing units have been upgraded by concrete extension;
- (c) 41 housing units are in fair conditions, and
- (d) 7 housing units are in deplorable conditions, out of which 3 units are occupied and 4 units are unoccupied.

The inhabitants of these housing estates are all owners of their houses. They have been informed on how to maintain their housing units as well as on the various schemes available for upgrading these houses, which include –

- (a) assistance by the local authorities for the removal and carting away of asbestos wastes;
- (b) assistance and subsidies from Government through the National Empowerment Foundation;
- (c) housing loan at low interest rate provided by the MHC Ltd., and
- (d) grant by Government through the NHDC for the casting of roof slab or for the purchase of building materials.

Any house owner who either wishes to upgrade or reconstruct his housing unit may take advantage of the available schemes.

FAMILIES IN DISTRESS SCHEME - BENEFICIARIES

(No. A/312) Mrs L. Ribot (Third Member for Stanley & Rose Hill) asked the Minister of Gender Equality, Child Development and Family Welfare whether, in regard to the Families in Distress Scheme, she will state the number of families who have benefitted thereunder, since 2005 to date, on a yearly basis, indicating in each case, the amount of money allocated thereto.

Reply: I am informed that since 2005, 132 families have applied and benefitted from financial assistance under the “Families in Distress Scheme” as follows -

Year	Number of families benefitted from the scheme	Amount (Rs)
2005	25	225,000
2006	21	195,000
2007	26	234,000
2008	11	99,000

2009	17	153,000
2010	12	108,000
2011	9	81,000
2012	7	63,000
2013	4	36,000

LA DIGUE DE VALETTA – FISH MORTALITY

(No. A/313) Mrs L. D. Dookun-Luchoomun (Second Member for Quartier Militaire & Moka) asked the Minister of Environment and Sustainable Development whether, in regard to the death of a large number of fish and other aquatic organisms at La Digue de Valetta, he will state if an investigation has been carried out to determine the causes thereof and, if so, indicate the outcome thereof.

Reply: A case of fish mortality was reported to my Ministry on 04 November 2013. Prompt investigations were carried by various institutions concerned namely, the Food Technology Laboratory of the Ministry of Agro Industry and Food Security, the Ministry of Fisheries, the National Environmental Laboratory of my Ministry and the Central Water Authority, which revealed that there was no contamination of water by chemicals.

It is considered that the most probable cause of the fish mortality was due to oxygen deficiency caused by the high influx of muddy water following torrential rains.

Immediately after being informed of the fish mortality, my Ministry together with the Moka District Council carried out a clean-up of the whole area and the dead fish were disposed of after mixing with slaked lime in line with all sanitary norms.