



SIXTH NATIONAL ASSEMBLY

PARLIAMENTARY

DEBATES

(HANSARD)

FIRST SESSION

TUESDAY 16 AUGUST 2016

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THE CABINET

(Formed by the Rt. Hon. Sir Anerood Jugnauth, GCSK, KCMG, QC)

Hon. Sir Anerood Jugnauth, GCSK, KCMG, QC	Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit
Hon. Charles Gaëtan Xavier-Luc Duval, GCSK	Deputy Prime Minister, Minister of Tourism and External Communications
Hon. Showkutally Soodhun, GCSK	Vice-Prime Minister, Minister of Housing and Lands
Hon. Ivan Leslie Collendavelloo, GCSK, SC	Vice-Prime Minister, Minister of Energy and Public Utilities
Hon. Pravind Kumar Jugnauth	Minister of Finance and Economic Development
Hon. Seetannah Lutchmeenaraidoo, GCSK	Minister of Foreign Affairs, Regional Integration and International Trade
Hon. Yogida Sawmynaden	Minister of Youth and Sports
Hon. Nandcoomar Bodha, GCSK	Minister of Public Infrastructure and Land Transport
Hon. Mrs Leela Devi Dookun-Luchoomun	Minister of Education and Human Resources, Tertiary Education and Scientific Research
Hon. Anil Kumarsingh Gayan, SC	Minister of Health and Quality of Life
Dr. the Hon. Mohammad Anwar Husnoo	Minister of Local Government
Hon. Prithvirajsing Roopun	Minister of Social Integration and Economic Empowerment
Hon. Marie Joseph Noël Etienne Ghislain Sinatambou	Minister of Technology, Communication and Innovation
Hon. Ravi Yerrigadoo	Attorney General
Hon. Mahen Kumar Seeruttun	Minister of Agro-Industry and Food Security
Hon. Santaram Baboo	Minister of Arts and Culture
Hon. Ashit Kumar Gungah	Minister of Industry, Commerce and Consumer Protection
Hon. Mrs Marie-Aurore Marie-Joyce Perraud	Minister of Gender Equality, Child Development and Family Welfare
Hon. Sudarshan Bhadain, GCSK	Minister of Financial Services, Good Governance and

Institutional Reforms

Hon. Soomilduth Bholah	Minister of Business, Enterprise and Cooperatives
Hon. Mrs Fazila Jeewa-Daureeawoo	Minister of Social Security, National Solidarity and Reform Institutions
Hon. Premdut Koonjoo	Minister of Ocean Economy, Marine Resources, Fisheries, Shipping and Outer Islands
Hon. Marie Roland Alain Wong Yen Cheong, MSK	Minister of Civil Service and Administrative Reforms, Minister of Environment, Sustainable Development and Disaster and Beach Management
Hon. Soodesh Satkam Callichurn	Minister of Labour, Industrial Relations, Employment and Training

PRINCIPAL OFFICERS AND OFFICIALS

Madam Speaker	Hanoomanjee, Hon. Mrs Santi Bai, GCSK
Deputy Speaker	Duval, Hon. Adrien Charles
Deputy Chairperson of Committees	Hurreeram, Hon. Mahendranuth Sharma
Clerk of the National Assembly	Lotun, Mrs Bibi Safeena
Deputy Clerk	Ramchurn, Ms Urmeelah Devi
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Hansard Editor	Jankee, Mrs Chitra
Serjeant-at-Arms	Pannoo, Mr Vinod

MAURITIUS

Sixth National Assembly

FIRST SESSION

Debate No. 27 of 2016

Sitting of 16 August 2016

The Assembly met in the Assembly House, Port Louis at 10.00 a.m.

The National Anthem was played

(Madam Speaker in the Chair)

MOTION

SUSPENSION OF S.O. 10 (2)

The Prime Minister: Madam Speaker, I 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 Housing and Lands (Mr S. Soodhun) rose and seconded.

Question put and agreed to

PUBLIC BILLS

First Reading

On motion made and seconded, the following Bills were read a first time -

- (i) The Road Traffic (Amendment) Bill (No. XVIII of 2016)
- (ii) The Private Secondary Schools Authority (Amendment) Bill (No. XIX of 2016)

Second Reading

THE APPROPRIATION (2016-2017) BILL 2016 (No. XVII of 2016)

Order read for resuming adjourned debate on the Appropriation (2016-2017) Bill 2016 (No. XVII of 2016).

Question again proposed.

Madam Speaker: Hon. Leader of the Opposition!

(10.02 a.m.)

Mr Bérenger: Madame la présidente, nous avons perdu une année et ce deuxième budget du gouvernement actuel, s'il contient certains mesures intéressantes, n'est pas un budget de relance économique et de création d'emplois, ni de rupture avec la politique économique pratiquée jusqu'ici. *Bizin aret badiner.* Nous avons perdu une année avec le budget de l'année dernière.

Madame la présidente, quand on se rappelle des prévisions farfelues et des bluffs de l'ancien ministre des finances, appuyé par son premier ministre, c'est du *out of this world.* Du surréaliste! Du délire! Sur lesquels, Madame la présidente, il n'y a pas lieu de revenir. Pour cette année, je commencerai par les mesures intéressantes du

présent budget, mais une déception d’abord. L’éradication – le mot est du ministre des Finances lui-même, dans son discours du budget – de la pauvreté absolue grâce à un nouveau *scheme*. Laissez-moi citer le paragraphe 298 du discours du budget, où le ministre lui-même dit –

“(...) *I am taking an unprecedented decision to eradicate absolute poverty (...)*”

Et cela, il vise à le faire avant tout en introduisant, je cite –

“(...) *I am introducing a new scheme under which every adult on the Social Register will be entitled to a monthly subsistence allowance (...)*”

As from December 01, 2016. Eradication of absolute poverty à travers cette mesure, en vérité, très importante.

Mais, Madame la présidente, le ministre de l’Intégration sociale, quant à lui, après avoir présenté dans les *Estimates* de son ministère à la page 257, *Main achievements for Financial Year 2015-2016* –

First, the Marshall Plan against poverty finalised in collaboration with the UNDP and, second, the registration of 13,267 households with a monthly income of less than Rs6,200 under the Social Register of Mauritius.

Les mots utilisés par le ministre des Finances étaient absolument clairs. La nouvelle mesure s’appliquera à toutes ces familles. Le chiffre est donné. Mais, lorsque j’ai demandé au ministre de l’Intégration sociale de confirmer que ces 13,267 familles en situation de pauvreté bénéficieront toutes de cette nouvelle mesure visant à éradiquer la pauvreté absolue, le ministre de l’Intégration sociale, en réponse à ma PNQ du 4 août, a refusé de confirmer que toutes ces 13,267 familles recevraient bien ce nouveau *monthly allowance* à partir du 01 décembre 2016. Il a refusé de le faire, se contentant d’annoncer, pour maintenant, un *full-fledged survey* pour déterminer le nombre de familles qui bénéficieront finalement de cette nouvelle mesure. Nous reviendrons bien sûr sur cela, Madame la présidente, de même que sur la mise en application du *Marshall Plan against poverty*.

(Interruptions)

Déception donc! Mais, par contre, concernant les mesures en faveur des enfants handicapés et de leur éducation, un grand pas en avant a été fait, et je remercie pour cela le ministre des Finances lui-même, bien sûr, mais aussi la ministre de la Sécurité sociale. Bravo ! Mais, évidemment, cela ne m'empêchera de surveiller de près la mise en application de ces mesures très positives pour les enfants handicapés et leur éducation.

Dans le cas du *CSR*, Madame la présidente, le ministre des Finances actuel a hérité du chaos causé l'année dernière par son prédécesseur, mais les mesures annoncées ont seulement ouvert un chantier sur lequel il faudra beaucoup travailler.

Enfin, dans le cas des petites et moyennes entreprises, après les bluffs de l'année dernière, tout est à refaire, et on est en droit de s'inquiéter lorsque le gouvernement compte surtout sur la Banque de développement (DBM) pour aider le secteur.

Madame la présidente, à l'occasion des débats l'année dernière sur le budget, j'avais accusé le nouveau gouvernement de deux choses.

Premièrement, d'avoir raté l'occasion de prendre un nouveau départ économique, lorsqu'il avait sacrifié le budget de développement du gouvernement au profit du budget de fonctionnement.

Deuxièmement, de ne pas tenir un langage de vérité à la population, et, au contraire, de promettre un miracle économique, de bluffer *all the way*, et de manipuler les chiffres.

Avec le présent budget, Madame la présidente, il n'y a pas vraiment de rupture avec tout cela. Madame la présidente, répétons-le. Ce qui est le plus important pour la relance de l'économie et la création d'emploi, c'est la relance de l'investissement. Rappelons ici que l'investissement privé représente trois-quarts des investissements du pays, et l'investissement public un quart de ces investissements.

Le fait est que l'investissement privé est passé de 17.5% du GDP en 2012 à 12.9% en 2015, et qu'il est prévu qu'il baisse encore en 2016. De son côté, l'investissement public est passé de 5.5% du GDP en 2012 à 4.8% en 2015. Résultat, le *Domestic Investment Rate* est tombé à 18% du GDP en 2015-2016, alors que dans le budget de l'année dernière il avait été prévu qu'il passerait à 24.8% du GDP.

Tous ces chiffres parlent d'eux-mêmes, Madame la présidente. Pour 2016-2017, le présent budget prévoit que le *total public sector investment*, c'est-à-dire, les investissements de l'État à travers le budget et ceux des corps paraétatiques et compagnies d'État, va plus que doubler comparé à 2015-2016, mais les chiffres sont *over optimistic*, comme dans le passé, et les investissements publics finalement réalisés seront bien plus bas que prévu dans le budget.

De son côté, Madame la présidente, le *Foreign Direct Investment*, l'investissement privé de l'étranger, le *FDI* est passé de 18 milliards en 2014 à 9.6 milliards en 2015 et devrait rester au-dessous de 10 milliards cette année, en 2016.

Devant de tels chiffres, Madame la présidente, et prenant aussi en compte le Brexit, est-il réaliste d'estimer, comme l'a fait le ministre des Finances dans son budget, que le *GDP growth* sera de 4.1% en 2016-2017, alors que la Banque de

Maurice elle-même estime que le *GDP growth* sera de 3.8% en 2017 ? Le doute est permis, malgré le *grant*, le don de l'Inde de R 13 milliards. Mais ceci dit, Madame la présidente, le fait est que l'Inde a sauvé le budget 2016-2017, y compris le déficit budgétaire. Le budgétaire 2016/17 prévoit que le déficit budgétaire sera de 3.3% du GDP, mais si on le calcule, à l'IMF, c'est-à-dire, selon les normes internationales, ce déficit budgétaire à la façon de l'IMF, c'est-à-dire, en incluant les special funds, le déficit monte à 4.4% du GDP. Si les *grants*, si les dons de l'Inde tardent à être déboursés, ce déficit budgétaire se rapprochera des 5%. Mais, on peut prévoir en même temps, et comme chaque année, un short for all dans les dépenses prévues au capital spending au budget de développement du gouvernement, avec pour résultat, Madame la présidente, que le déficit budgétaire en 2016/2017, selon mes calculs, devrait, ou pourrait dépasser à nouveau les 4%.

Quant à la dette publique, Madame la présidente, qui est déjà à 65% du *GDP*, ce qui était *unsustainable* - je pense que tout le monde est d'accord là-dessus. Il est prévu dans le budget que ce *public debt* baisse à 63% en juin 2017 et 61% en juin 2018. Ce qui est toujours plus que les 60% du *GDP*, considéré *the world over* comme le *danger belt's level*. Et cette dette publique, Madame la présidente, est *underestimated* quand on prend en considération l'héritage *BAI*. Et cette dette publique ne prend pas non plus en considération les milliards de réclamation déjà en cours devant différents tribunaux internationaux concernant un gros projet immobilier

au Morne, agréé, ensuite annulé sous l'ancien gouvernement. Donc, concernant ce gros projet immobilier au Morne, Betamax, City Power et BAI.

Par ailleurs, Madame la présidente, une chose devrait beaucoup nous inquiéter d'après moi. Mais, le discours du budget ne dit rien sur le *current account deficit* du pays, et cela, malgré le fait que tout le monde est d'accord, que le *current account deficit* d'un pays est la mesure la plus fondamentale de la santé économique de toutes économies ouvertes comme la nôtre. Et le budget ne dit rien non plus sur l'impact à venir, des amendements au *double taxation agreement* entre l'Inde et Maurice, l'impact de ces changements sur notre *current account deficit* dans les années à venir. En effet, Madame la présidente, le déficit de notre *current account* a été d'environ 5% du *GDP* en 2015, soit R 20 milliards, mais si on y inclut les capitaux, les *financial flows*, que les *Global Business Companies (GBCs)* font transiter au pays vers l'Inde. Les conseillers me disent que si on exclut ces *GBCs related flows*, le *current account deficit* en 2015 passe à 10% du *GDP*. Ce qui amène certains experts, Madame la présidente, à dire que, je cite –

“Mauritius is highly dependent on GBC related net inflows to maintain a reasonable external current account deficit which is not sustainable in the medium-term in the wake of the amended doubled taxation agreement with India.”

Et ces mêmes experts, y compris le FMI, estiment que sans ces *GBC flows*, la roupie aurait à être dévaluée jusqu'à 25%.

Madame la présidente, cette année, en cette occasion, je ne parlerai pas aujourd'hui des grands projets dont on entend plus parler comme par magie, tels que JINFAI, un nouveau port de pêche à Bain des Dames, le projet des investisseurs Chinois au Domaines des Pailles, le projet d'un autre groupe d'investisseurs Chinois, supposément, à Roches Noires. Je n'en parlerai pas et je ne parlerai pas non plus en cette occasion du LRT, de la CWA, du CEB, de la Cargo Handling Corporation, ni pour cette fois de Rodrigues et d'Agaléga, afin de revenir cette année à l'essentiel, de mon point de vue, à l'économie en général, et sur le fait que ce budget n'est pas un budget de relance économique et de création d'emplois.

Madame la présidente, mon message essentiel aujourd'hui est que notre économie est en panne and *we have no easy choices*. C'est pourquoi je disais '*bizin*

*aret badiner!’ Il faut dire la vérité à la population, et en particulier à la jeunesse. Il faut cesser de lui promettre des miracles économiques qui ne sont que des mirages et du bluff dangereux. Il faut cesser de lui faire croire à cette population et à cette jeunesse que tout est possible en économie et qu’on peut continuer à sacrifier le budget de développement au profit du budget de fonctionnement de l’Etat. Il faut lui dire, Madame la présidente, que pour relancer l’économie et créer les milliers d’emplois productifs auxquels notre jeunesse à droit, *we have no easy choices.**

Madame la présidente, nous sommes un petit pays avec un ageing population, et ce petit pays est déjà lourdement endetté, tout comme l’est notre secteur privé lui aussi, où je le rappelais, il y a quelques minutes, le taux d’investissement est tombé au *record low* de 12.5% du GDP. Madame la présidente, les projets d’investissements productifs et d’avenir, sont de plus en plus difficiles à trouver. Les nouveaux secteurs économiques à développer sont de plus en plus difficiles à identifier. *We have no easy choices* pour relancer l’économie, Madame la présidente. Bien sûr, il faut d’abord s’appuyer sur les secteurs déjà existants ou performants, tels que l’ICT Sector, le secteur financier, le tourisme et il faut, bien sûr, casser les goulots d’étranglement, tels que *lack of skills and labour availability.*

Mais, Madame la présidente, de mon point de vue, la gravité de la situation exige que nous revoyions notre *economic and business model* dans son ensemble et que nous ne négligeons aucun nouveau créneau exploitable comme en 2000/2005.

Amongst other things, Madam Speaker, we must refocus on high value production for export markets and we must fine-tune our investments abroad. We must review the whole situation concerning the blue economy.

Mais, Madame la présidente, tout cela restera lettre morte s’il n’y a pas à la tête du pays une équipe économique d’une compétence à toute épreuve qui fasse preuve d’imagination, mais aussi de réalisme et qui donne l’exemple de la discipline au travail et du *teamwork with the required leadership.*

Madam Speaker, Mauritius is at a crossroad. Un nouveau départ a été raté l’année dernière. Nous avons perdu une année. La situation est dramatique *and we have no easy choices.* C’est là le message que j’ai choisi de faire passer cette année après le départ raté de mon point de vue de l’année dernière.

We have no easy choices, Madam Speaker. Mais notre destin reste entre nos mains et notre jeunesse est en droit d'exiger de nous tous qu'on lui tienne un langage de vérité et que ceux qui gouvernent le pays le fassent avec courage, compétence et dévouement à la cause du pays et son développement.

Thank you, Madam Speaker.

Madam Speaker: The Rt. hon. Prime Minister!

(10.27 a.m.)

The Prime Minister: Madam Speaker, it is with a deep sense of pride that I stand to speak on the 2016-2017 Budget. I heartily congratulate the Minister of Finance and Economic Development for presenting to the nation a well thought, bold and daring Budget.

I am proud because the Minister has brilliantly lived up to the trust I placed in him.

I am proud because I am confident that the leadership that I will leave as legacy to this country is mature, wise and farsighted and espouses the human touch that makes the difference in the heart of the people.

Indeed, Madam Speaker, we have in the 2016-2017 Budget the trait and imprint of a Minister and leader who has addressed carefully both the social and economic concerns of the country. He has gone out of the traditional thinking pattern to embrace new approaches that have impressed the nation at large.

The positive titles in the Press and the nationwide positive reactions are testimony to the wide acclamation the Budget has commanded.

I have been in this august Assembly for years as Prime Minister, but never before had I heard hon. Paul Bérenger, as Leader of the Opposition, saying "*c'est un budget intéressant*". I compliment him for the compliment.

Nevertheless, I must only remind the House to look back all the Budgets that we presented in this House since 1983 up to the end of our mandate. The same criticisms and same negative attitude, the hon. Leader of the Opposition has had always in his mind and expressed in this House. Yet, everybody knows the result

after our mandate of five years since 1983; we did not invent the word '*miracle économique*', others invented that, even the IMF and the World Bank spoke about economic miracle of Mauritius. However, had we believed all the way in what the hon. Leader of the Opposition was saying about our administration of the economy, the country would certainly have been bankrupt and there would have been no *miracle économique*, Madam Speaker.

I also heard with much interest hon. Bhagwan stating that there are "*positive and innovative measures*" in the Budget.

There is no doubt, therefore, that the Budget presented by the Minister of Finance and Economic Development has rallied the nation except for the Labour Party that no longer has any credibility in the eyes of the vast majority of the population.

I read with amusement the former Prime Minister and leader of the Labour Party saying that the Minister of Finance "*est en rupture avec la réalité*". The response to that on Facebook has been overwhelmingly damning for him. He has been abruptly reminded of the reality he inflicted on the nation with his coffers overflowing with bank notes, mistresses, nepotism, corruption and anti-social measures. From what I have read on Facebook, I can say without any hesitation that the former Prime Minister has become not only the nightmare, but also the laughing stock of the population and that his gesticulations no longer impress or frighten anyone.

Hon. Shakeel Mohamed has hammered the nail further in the coffin of the Labour Party and retorted cynically to his Leader by stating in his intervention last Thursday that "the Labour Government under Navin Ramgoolam was disconnected from the reality". This former Prime Minister has the guts to say that the Minister of Finance has committed *rupture de la réalité*. What a slap was it in the face of the former Prime Minister? The hon. Member, however, went on to say that he cannot see how the Budget is a "*budget de rupture*". I disagree totally with him and with the Leader of the Opposition as it is amply clear that the measures in the 2016-2017 Budget address both the social and economic realities and challenges faced by the country.

Madam Speaker, as I said earlier, Budget 2016-2017 embraces new approaches and innovative responses. It inspires a much-needed wave of change and liberates the economy from the chains of the past. It is a Budget forged out of a genuine willingness to satisfy the aspirations of our youth and the population at large.

And more to it, Madam Speaker, the 2016-2017 Budget lays down the ten pathways to transform Mauritius into what has been described in the Government Programme 2015-2019, as a truly forward looking, environmentally sustainable, economically vibrant and innovative country with modern infrastructure, global connectivity, high skills, technology and socially inclusive development. The road to the Second Economic Miracle is now wide open despite what has been said by the Leader of the Opposition. If we have to tread confidently with zeal and determination, we have to be ambitious. We have to act like achievers. I have retained one sentence of the Budget Speech that summarises the underlying approach of the Minister. I quote:

“The challenges of tomorrow cannot be met with our mindset, policies and actions locked in the paradigm of yesterday”.

Indeed, Madam Speaker, the 2016-2017 Budget is set to achieve a meaningful change which is the motto of our Government Programme. It is meant to be a game-changer. It is meant to usher in a new cycle of growth and shape a new Mauritius where there will be opportunities for one and all.

In the Budget, the Minister of Finance has ensured that there is a share for everyone -

- from the young student still in primary school to the adult attending university;
- from the mother cooking food for her family every day to the big corporations providing jobs to thousands and contributing to economic development, and
- from the citizen worried about the deteriorating environment to the technology-savvy person willing to develop mobile applications.

Indeed, the ten key strategies highlighted in the Budget touch upon every aspect of society and lay the foundation for a modern and technology driven Mauritius. This economic roadmap will be driven by our very own Mauritian entrepreneurs. The

objective is to develop a vibrant SME sector and the Budget rightly comes forward with measures for this to happen.

Payment of trade fees have been suspended for three years. Nobody thought about it before. Tax holidays are being given to SMEs and a National SME Incubator Scheme will be created. Furthermore, access to finance and technical expertise will be made easier with the announced SME parks, SME Financing Scheme, revival of LEMS, factoring services and a new Venture Capital Fund.

I think the message to all entrepreneurs is this: Forget all the hassles. Focus on your business. Develop it and make it a success. All the necessary tools are now available. However, Madam Speaker, the expected success cannot be achieved without the proper support and facilities in place. Our economy possesses good IT infrastructure and connectivity and we are lucky to be situated in a strategic position of the globe.

Mauritius ranks first in Sub-Saharan Africa in the Global Competitiveness Report and, according to ICT Price Basket, it also offers the cheapest ICT services in Africa. Yet, much remains to be done. The country must close the digital divide with advanced economies to be more competitive and therefore more attractive. Being first in Africa is no longer enough. We aim and are aiming much higher, regionally and globally. This is why the proposed Information Highway to share information among public sector agencies comes at a most appropriate time. This initiative alongside new e-services announced in the public sector will provide a more convenient lifestyle for all our citizens. Queues and waiting time will decrease. We will save on both time and costs. In turn, this will lead to a rise in efficiency and productivity. Mauritius will thus become more competitive and these gains will ultimately benefit businesses. It will pave the way for Mauritius to become a global centre for business and financial activities. Mauritius will open up and become even more accessible.

The Bank of Mauritius is coming up with a National Payment Switch while MEXA and Government aim to develop a national e-commerce platform. This will allow worldwide selling of products and services.

The domestic environment is also being enhanced. 153 billion rupees will be spent over the next five years to enhance our infrastructure and drastically change the socio-economic landscape.

Numerous projects will be executed. Prominent among these is the Metro Express project. The current transport system is a major source of pressure and stress for our citizens. The Metro Express project will provide a lasting solution to this problem. This project will redesign our towns, create new growth poles and cut down pollution, but the biggest benefit will be for our citizens. Anxiously waiting for the bus and then spending hours in traffic jams will be things of the past. Moreover, the death toll from road accidents is set to go down.

Madam Speaker, the former Prime Minister dares to say that LRT is his project and that my Government has had to backpedal after initially freezing it. Allow me, Madam Speaker, to enlighten the population on the LRT project.

The light rail project would have been there in 1995. I was going forward, but there was so much criticism by the Opposition and it was being insinuated that I was going to get a big *commission* out of it that I got so disgusted and I even went for new elections. Therefore the former Prime Minister who says he has *vision*; if he had vision for this country, he would not have inherited what we have inherited. We had to put order in all the fields that were left there. Of course, I agree that the Budget presented by the former Minister of Finance, I, myself, came to the conclusion that it was not a realistic one, but, nevertheless, when people come and say that in one year we have done nothing, well, I take it as a joke. Everybody knows that the MSM-MMM Government of 2000-2005 had decided to go ahead with the LRT project.

However, when the Labour Party was in power in the 2006-2010 period, they preferred, instead of LRT, the Bus Rapid Transit system. What was it? Would there have been bus lanes? I do not know whether the bus lanes should have gone over the residences of people in this country.

The Prime Minister and his Minister of Public Infrastructure at that time defended forcefully the BRT, both in this august Assembly and outside. Then, for the 2010 general elections, the MSM insisted for the LRT project to be brought back on the national agenda as the party had made of LRT a lynchpin of its socio-economic transformation strategy.

I am informed that the then Prime Minister reluctantly accepted that the LRT be mentioned in the electoral manifesto of the then *l'Alliance de l'Avenir*. Following the general elections, the LRT project was revived by the then and present Minister of Finance. There had been a few meetings where it had been found that the cost would not exceed Rs15 billion.

Despite all efforts to persuade the then Prime Minister to opt for the LRT project, he kept on insisting on the BRT, until the time he made an official visit to Singapore. On his return, he said he had been seduced and started defending LRT with zeal. I will tell you in a moment, to what extent the seduction reached. However, when the cost figures were known, the Nation was shocked.

From Rs15 billion, the cost escalated to Rs24.8 billion, nearly Rs10 billion more in a mere three-year lapse of time. At that cost, the LRT project was simply not affordable. Moreover, when this Government came to power, we decided to freeze it on a question of affordability. It is only when I had been made aware in March this year of certain information and new elements as regards the cost of the project that I gave the green light for the project to be revisited.

I draw attention to the word 'affordable' mentioned in the Budget Speech. The Metro Express project, I insist, has been revived and will be implemented as we now have guarantee on affordability.

In due course, the genuine cost will be known and then the population will discover what happened during the seduction exercise that started in Singapore and was pursued in Mauritius.

I heard the former Prime Minister saying so passionately at a public gathering that he brought to Mauritius a lady Rottweiler from Singapore to pilot the project. I sought for information and understood the real reason why the former Prime Minister suddenly was seduced by the LRT. I have information on a particular 'tunnel experience'. Madam Speaker, I will refrain from going any further on that.

The Metro Express will become reality under this Government. That is more important than anything else.

In addition, history always records the achievers for the common good of a whole nation, not the greedy scoundrels who loot for their selfish interests.

Madam Speaker, I now come to the Heritage City Project. I will be frank and direct as usual. I am really sad by the turn of events. It was a project that would have portrayed the advanced country we want Mauritius to become. It would have been the icon of our future development path. It would have a model in terms of public sector efficiency and productivity. This was a project that I had at heart and I am really sorry for what has happened.

However, views diverge largely on the project and it was decided to set it aside. As Prime Minister evolving in a democratic system and within an Alliance, I have to let the majority have its way and I stand by that collective decision.

Madam Speaker, some in this House and outside, including the former Prime Minister, have argued that the Minister of Finance has disavowed me by insisting on construction and property development as the main pillar of economic development.

First, the 2016-2017 Budget does not put all the eggs in the basket of property development.

It covers the whole spectrum of our economic sectors and gives a boost to all of them.

Second, I never said that construction and property development should be stopped.

I opined that we should also focus on the other sectors of our economy so that there is a boom at a point in time and that would mean we have achieved our objective of delivering a Second Economic Miracle.

That is exactly what the Minister of Finance has done through the Budget and I congratulate him for that.

Madam Speaker, Mauritius has been amongst the first countries to respond concretely to the Brexit threat on its trade and economy.

The decision announced in the Budget to set up a major Air Freight Scheme, which will entail a 40 per cent reduction by Air Mauritius of the airfreight cost to Europe, will no doubt improve the competitiveness of our exports, mainly our textile products and apparel. Government will underwrite the scheme for two years. I believe it is a major initiative that has to be commended.

Madam Speaker, I always insist on the fact that socio-economic development must not be done at the cost of destroying our environment. Mauritius is already a premier tourist destination, known for its pristine beaches, blue lagoon and greenery.

Yet, I believe that the time has come to take things to another level. The word is SUSTAINABILITY. We are building for the generations to come.

We are building a green and a blue economy. Never before have so many measures been announced for blue and green economy.

Back in December 2015, Mauritius signed the COP 21 Agreement and committed itself to producing energy from renewable sources. Indeed, we simply cannot continue to do things as they were being done in the past. The time for change has come. Consequently, CEB will create a renewable energy company, which will ultimately become a special vehicle for the production of electricity from solar photovoltaic systems of up to 15 Megawatts. I fully support this initiative.

The company will subsequently open its shareholding to SMEs, cooperative societies and small investors, thus bringing the democratisation process in the energy sector to another level.

Production of electricity will be liberalised. The SSDG and recently announced MMDG Net Metering schemes by CEB have benefitted from a good response and attracted many people. It shows that the move towards renewable energy is the right one; one that is supported by the population.

Feasibility studies will be carried out on production of electricity through solar panels placed on rooftop of houses and the CEB will invest Rs400 m. to increase the grid absorption capacity of intermittent energy from 148 to 160 megawatts by 2018.

It will also procure battery storage systems to become resilient to the intermittent nature of renewable energy. Furthermore, there will now be no VAT on photovoltaic inverters and batteries.

We believe in a green economy and we believe in protecting this beautiful environment of ours. We are now bringing our beliefs and wishes to reality, but, at the same time, I must emphasize that this question of environment must not be a pretext for all those who are against development and who don't want to see this Government succeed, to come forward and raise their voices against all development that we are

trying to bring and put a stop to all of them so that, in the end, they can come and say: “You see, this Government had been bluffing. There has been no development there has been no creation of jobs.” This is exactly their plan. This is what they want, but we are not going to be fooled by all sorts of voices that we hear outside.

Madam Speaker, I now come to the Blue Economy. In addition to the avenues that have so far been explored, namely aquaculture, marine renewable energy and deep-water applications for cooling facilities, we seek to explore our seabed for economic benefits. The prospects of finding and exploiting hydrocarbons and minerals in our Exclusive Economic Zone would be a potential game changer for our economy. I am pleased to announce that we are inviting Expressions of Interest for the conduct of exploration surveys in our waters.

My office has been monitoring very closely the progress in the Joint Management of the Extended Continental Shelf between Mauritius and Seychelles.

The two countries are now jointly exercising sovereign rights for the purpose of exploring and exploiting seabed resources. Mauritius and Seychelles launched a call for proposal for the conduct of geophysical surveys in the Joint Zone. I can announce that seven international companies responded and a shortlisting has been carried out jointly by the two States. The selection exercise is expected to be completed by the end of this year.

Madam Speaker, the picture will not be complete if we were not to include a full assessment of our marine living and non-living resources. A specialised Department for the Continental Shelf, Maritime Zones Administration and Exploration has been set up under my Office for the administration of the continental shelf, maritime delimitation and for the development of the seabed exploration activities.

In collaboration with the Commonwealth Secretariat and all the relevant stakeholders, this department has completed a first draft of an Offshore Petroleum Bill and a Seabed Mineral Bill. The Attorney General’s Office is presently reviewing these drafts and the Bills will be introduced in the National Assembly in due course.

Nevertheless, no one can claim to know the full potential of the ocean. That is why we require the appropriate cutting-edge technology and research. In addition, we have decided that this knowledge will be developed locally. We are coming with a

plan to harness the talents of our own people. Indeed, we believe that we have the talent to conduct pioneering research right here in Mauritius. The country has the potential to become a world-class research centre. The time has come to realise it.

We are therefore signing a Memorandum of Understanding with the National Institute of Goa to set up a World Class Research Institute of Oceanography in Mauritius. 20 million rupees have also been earmarked to purchase a multi-purpose vessel for research, surveys and training of fishermen and skippers.

When we talk about blue economy, our fishermen immediately spring to our mind. This Budget has not forgotten them. A grant of 50%, up to a cap of 4 million rupees, will be given to cooperative societies to acquire semi-industrial vessels. In the same vein, a tax holiday of eight years is being provided to attract industrial fishing companies to operate from Mauritius.

Madam Speaker, the Minister of Finance has also been attentive to the concerns of the planter community. I am pleased by the series of new measures that have been announced to bring the agri-business sector into the new economic cycle. We all know that the planter community has been at the forefront of socio-economic development in Mauritius. They deserve our consideration and the Minister of Finance has not let them down.

Madam Speaker, I have been talking about economic development so far – digital economy, blue economy, green economy, SMEs and so on. True it is that the Budget contains numerous measures to propel the economy to new levels and that cannot be denied, but its social dimension is praiseworthy. There is an unprecedented will power to do away with absolute poverty in our country.

The 2016-2017 Budget concretely launches the Marshall Plan against Poverty. Indeed, the new scheme under which every adult on the Social Register will be entitled to a monthly subsistence allowance based on a threshold of 2,720 Rupees is commendable. This threshold is 40% higher than the World Bank's absolute poverty threshold of USD 3.10 per day per individual calculated based on purchasing power parity. This means that henceforth we shall be wiping out absolute poverty as per World Bank's criteria.

It is historical, although we must see to it that those we are supporting do actually come out of the poverty trap. That is where the social contract that will be

engaged with the families concerned will have all its importance. 500 million Rupees will be spent on this initiative in a two-year period and by so doing, we shall be progressing steadily on our agenda to meet the objectives of the SDGs as regards poverty alleviation.

As a nation, we have to help and support the downtrodden and I appeal to everybody who has the means to complement Government's efforts in that direction. The Marshall Plan also focuses on decent housing and the Budget adequately provides for it.

The country will also need a good quality of life. People should have the basic necessities and housing is one of them. Who has not dreamt of owning a house? Who does not dream of the day when his whole family will eat dinner together under one roof? The Budget has come forward with measures to make this dream come true for every citizen.

One billion rupees will be spent on the construction and completion of 1,900 housing units and an additional 800 houses will be erected over three years. The eligibility threshold has also been enlarged to a monthly income of up to 20,000 rupees; hence, including even more people in the bracket. On top of that, a plethora of incentives has been put in place to help young couples acquire residential property.

Madam Speaker, this Government has done a lot since coming to power to increase the purchasing power of the population. I have asked for updated figures and I can say they are impressive ones. In 2015 and up to financial year 2016-2017, we will be giving families as much as 20 billion rupees in terms of purchasing power through pensions, subsidies, tax exemptions, salary compensations and direct support. This is unprecedented, Madam Speaker.

Madam Speaker, I now come to departments and institutions falling under my portfolio of responsibilities. For the financial year 2016-2017, a total amount of Rs8.7 billion is being allocated to the Police Department, which represents an increase of around 10%, as compared to last year. The focus will be on the following five major avenues: technology; road safety; effective surveillance; securing of our borders, and revamping of the human resource element.

Regarding the introduction of state-of-the-art technology, we shall be investing in Intelligent-cop concept for our officers on ground. These will include

smart tablets, body worn cameras, mobile access to data points, tracking systems for vehicles, and a Crime Occurrence Tracking System.

In addition, an enhanced digital radio communication system will link up other agencies such as the SAMU and the Fire Services, amongst others. The smart tablets will be issued to patrol units such as ERS and Traffic Police and will facilitate instant access to vehicle ownership and criminal databases.

The Mauritius Police Force will be acquiring two drone cameras, estimated at Rs150,000 each, equipped with night vision capabilities, for intelligence gathering, surveillance of suspects and ships suspected to be carrying drugs. They will also be used for difficult drugs operations by the ADSU.

As regards road safety, to intensify surveillance on our roads, more vehicles are being acquired for the Traffic Police. 43 new motorcycles have been purchased recently, and procedures have already been initiated for the purchase of 56 additional ones. Crime prevention through effective surveillance also remains a priority for Government. In this context, we shall be implementing a Safe City project, which has been announced in the Budget. Under this project, crime prone areas will be identified and high quality CCTV cameras with latest technology will be installed at strategic locations throughout the island to ensure a constant sharp surveillance in high-risk areas. All these initiatives will obviously contribute to ensure law and order in the country.

Madam Speaker, to further protect our country from the threats of transnational crimes, including terrorism, piracy, and human trafficking, we will be enhancing the operational capacity of our National Coast Guard through the acquisition of new surveillance assets. A new Dornier aircraft equipped with state-of-the-art radar has been acquired last month. In March, ten fast interceptor boats have joined the National Coast Guard's fleet and by October this year, we shall commission a new water jet fast attack vessel. Madam Speaker, in addition, Government will recruit 1,200 Police Officers and appoint 30 new Cadet Officers in different specialised streams such as Research and Development, Engineering and Information Technology, and several others.

The future new Police Academy would be one of the major Police projects this year, estimated at a cost of Rs775.5 m. It will be equipped with all modern facilities required to enhance the human resource capability of the Police Force.

Madam Speaker, due to the increasing demand for forensic analyses and investigations, the Forensic Science Laboratory urgently needs to be relocated in purpose built new facilities. For that purpose, State land of a size of 10,146 square metres at La Vigie, Curepipe, has been made available for the construction of a new FSL building to house its laboratories.

The project, at a cost of around Rs235 m., is expected to be completed in 2019. For this financial year, a sum of Rs25 m. has been allocated for the appointment of a consultant for the design and preliminary phase. The FSL has extended its services to Rodrigues by the setting up of an antenna in the Police compound at Plaine Corail. I can also announce that consideration is being given for the FSL to equip itself with equine lab facilities in order to help the Police to effectively act in cases of alleged doping.

Madam Speaker, with regard to border management, Government is working towards the introduction of an Advance Passenger Information system, which would help the border control authorities to have passengers manifest for all flights coming to Mauritius. This would help to check the names against the control list and take appropriate and timely action, thus enhancing the internal security measures.

We are also reviewing our immigration legislation in order to prevent an abuse from foreigners who seek to marry Mauritians solely for the sake of obtaining residence permits and eventually Mauritian citizenship. In that connection, an Immigration (Amendment) Bill is being finalised and will be introduced in Parliament when ready.

Madam Speaker, I would like to reaffirm Government's commitment in promoting the adoption of e-business and leveraging our strengths in the exploitation of innovative technologies. In this respect, my Office has launched the e-tender for the implementation of an E-Business project for the Home Affairs Department to provide the following services online -

- issue of Citizenship Certificate;

- issue of Certificate under the Non-Citizenship Property Restriction Act;
- issue of Apostille Certificate under the Hague Convention;
- processing of Residence Permit;
- processing of visa, and
- processing of request to access VIP/State lounge at the Airport.

The estimated cost of this project is Rs75 m.

Madam Speaker, with regard to adoption of children, Government signed in May 2016 an Agreement for technical assistance with the Permanent Bureau of the Hague Conference on Private International Law. That aims at undertaking the inter-country adoption regime in line with the Hague Convention.

In this respect, an international expert has been deputed in Mauritius to assist in the drafting of a new inter-country adoption legislation, to advise on an appropriate structure as central authority and to provide capacity building on the Convention. The new Adoption Bill is expected to be presented in the National Assembly in March 2017.

My Office had also officially released the report of the National Coalition against Domestic Violence Committee earlier this year to give a major thrust to eradicate the problem of domestic violence in Mauritius. The focus will be on empowerment of the enforcement agencies, better coordination among all stakeholders and adoption of a victim centred approach.

Madam Speaker, I commend the decision to increase religious subsidies by 10%. I must point out that there has not been any increase in religious subsidies since 2009.

Being a multi-cultural and multi-ethnic country, we have had to struggle over the years to maintain our reputation as a peaceful country, respectful of the rights of its people.

I, therefore, join the Minister of Finance in paying tribute to the valuable contribution of all religious organisations in ensuring unity in our diversity. I make an appeal to these organisations to use the additional money to undertake sensitization programmes and campaigns to ward off the social ills caused by alcoholism, drug abuse, domestic violence and extremism.

Madam Speaker, I wish to reaffirm to the House my unflinching commitment to uphold human rights values in this country. The aim of my Government is to create an appropriate human rights climate conducive for economic, social and cultural development. In this context, the Independent Police Complaints Commission separate from the National Human Rights Commission will be set up to deal solely with complaints against the Police officers. To that effect, a sum of Rs15 m. has been provided in the new Budget.

Madam Speaker, Foreign Investment is crucial for the expansion of our economy. Under the Non-Citizens (Property Restriction) Act, for financial year 2015/2016, my Office approved 32 applications from non-citizens for an approximate investment amount of Rs4.2 billion.

With the proposed amendments to the Non-Citizens (Property Restriction) Act, as announced in the Budget Speech, and the further streamlining of procedures for issue of permits, applicants for Occupation Permits in the Investor and Self-employed categories, as well as applicants for Residence Permits in the Retired non-citizens categories will be able to apply online without need for prior registration of business or transfer of funds. This will be a major step towards enhancing the ease of doing business in Mauritius.

Madam Speaker, my Government is fully committed to supporting the development of Rodrigues as an integral part of the Republic of Mauritius. Accordingly, decisions have been taken to improve air and sea connectivity with Mauritius. The runway of the Sir Gaëtan Duval Airport in Rodrigues will be extended to accommodate A319 aircrafts serving regional routes. This will enable Air Mauritius to optimize aircraft use while at the same time satisfying the growing demands for seats between Mauritius and Rodrigues. In addition, the existing airport terminal will be expanded to provide increased surface for operational spaces in the terminal building.

In order to bridge the digital gap between Rodrigues and the rest of the world, the Mauritius-Rodrigues leg of the Third Submarine Cable Project will be implemented in due course. Meanwhile, an additional 300 Megabyte per second bandwidth will be provided to enhance connectivity.

With regard to sea connectivity, a new Port Master Plan is being prepared by the MPA, for Rodrigues, which would take into account new infrastructure requirements and policies in relation to Port area activities such as fish processing, Port handling and marina development.

Madam Speaker, we are also supportive of the breeding community in Rodrigues as they go through very hard times with the onslaught of the foot-and-mouth epidemic on cattle. Breeders in Rodrigues will be provided with a financial breather and other assistance.

Madam Speaker, I also wish to commend the Minister of Finance for the inclusion of the Chagos Archipelago and Tromelin in the section relating to our outer islands. This simple mention sends a strong signal and reinforces even more our stand that the Chagos Archipelago and Tromelin form an integral part of our territory.

As I said last Thursday, in reply to the PNQ of the Leader of the Opposition, we are pursuing our initiatives at the level of the United Nations General Assembly to seek an advisory opinion on the Chagos Archipelago issue from the International Court of Justice. As always, I shall make a forceful appeal to the UN member States to support us in our struggle for the effective exercise by Mauritius of its sovereignty over the Chagos Archipelago in the forthcoming General Assembly.

Madam Speaker, I must make it clear why I have finally chosen this course of action, because when I first became Prime Minister, I met the Prime Minister in UK and I raised this question of Chagos Archipelago. She assured me that it was needed - the term that late Margaret Thatcher used - for the defence of the West. When I asked her: "how is the West being threatened?" She explained to me the Soviet Union was a real threat and there was the Cold War, and she attributed the Cold War to the Soviet Union. Anyway, I thought it was a plausible explanation, and I said: "When this threat will no longer be there, Chagos will be returned to Mauritius." She told me: "Yes". She told me that I can rest assured.

Today, we know that Soviet Union is no longer there; Cold War is not there, there is no threat to the West. So, now, when I talked to the Britishers: "Why do you still need Chagos?" What do they say now? For defence purposes. For the defence against piracy and terrorism, particularly in the Indian Ocean? They want to preserve peace and security in the Indian Ocean. Finally, as I understand it, they are there to

assure peace and security of the world. They are the boss, they are the masters and we must kneel. I concluded that it is clear that they had no intention whatsoever, ever, to return Chagos to Mauritius because there will always be some problems here and there. Do they need a base with atomic bombs to fight piracy and terrorism? I consider this not serious at all! The Britishers or, at least, the British Government – I don't blame the whole people of UK – those who are in power, how can they qualify that? They are hypocrites! They are taking us for a ride. They are pretending that they are the saviors of democracy, peace, justice. All this is nonsense. I know if we go to the International Court of Justice, we will not get a judgment that will be binding, but the report that they will make, we will be using it as a tool wherever we go, in all conferences, in all countries and even the UN will be blaming them, that they are not honest.

We also, Madam Speaker, support our Mauritian citizens of Chagossian origin in their struggle for resettlement in the Chagos Archipelago. I am pleased to announce that to demonstrate our unity on the Chagos Archipelago issue; I am including a representative of the Chagossian community in the delegation that I shall lead in September to the UN General Assembly.

Madam Speaker, the National Development Unit, which was dragged into bankruptcy by the former Government, has been redressed. During financial year 2015-2016, 169 work orders for drains, roads and amenities projects to the tune of Rs213 m. have been issued.

For 2016-2017, the NDU is proposing to embark on 308 road projects, 281 drain projects and 148 amenities projects.

The provision of Rs781 m. in this year's Budget will be utilised for these projects as well as for payments in respect of projects awarded in 2015-2016.

The main challenges ahead for the NDU in 2016-2017 are the revamping of the CABs to restore their original mission and purpose; and the introduction of the Land Drainage Authority Bill in the National Assembly.

Madam Speaker, I strongly commend the bold initiative of the Minister of Finance and Economic Development to undertake reforms with regard to our public sector institutions.

He has my full support in this daring endeavour.

My office will give the example by expediting the merger of the Information and Communication Technology Authority and the Independent Broadcasting Authority.

As regards the MBC, I am awaiting its restructuring plan and in this case, my Office will expedite matters so that the institution can perform efficiently, although, I must say, the challenges are herculean.

I wish to put on record that my Office is driving the Metro Express project as well as the Africa-Asia Air Corridor initiative. My Office will also drive the project to set up a Mauritian National Troupe.

Madam Speaker, undoubtedly the 2016-2017 Budget provides the country with the boost it requires to embrace a new era of development.

It sets the environment and gives the means for Government to function effectively, our people to work in dignity, with resources for their families, decent homes and opportunities for their children. It caters to instil enthusiasm in our youth in whom I place my unreserved trust.

It calls upon the nation to be ambitious, to turn today's adversities into opportunities and to look at the future with optimism.

The Budget has impressively charted out the course to -

- manage our finances in a prudent and sustainable way;
- re-ignite confidence and mobilise the resources of all social partners;
- enhance the ease-of-doing business environment;
- open up the country further to attract foreign investments;
- invest more in infrastructure to spur potential growth;
- embrace technology and innovation to attain new development heights;
- transform Mauritius into an International Financial Centre of Excellence and Substance;
- give to our youth the means to attain their dreams through training, jobs and economic opportunities;
- improve our education and health systems;

- accelerate transformation towards an inclusive economy by taking everybody on board, and
- strengthen social solidarity and extend our social safety net.

Madam Speaker, the aim of my Government is to achieve an economic growth that is sufficient to bring prosperity to one and all.

We do not want growth that is only in terms of figures. We want genuine growth based on real economic output. We want growth that brings wealth and enlarges the national cake. In addition, this cake has to be shared equitably and fairly with the whole nation. That has been and remains our economic philosophy.

I am confident that we can once more live up to our motto which is *“l'économie au service du peuple”*.

Madam Speaker, there have been criticisms that the targeted economic growth rate for 2015/2016 has not been attained. It is so easy to criticise and when the criticisms come from those who have themselves inflicted damage on this country through nepotism and other ill doings, it stirs a sentiment of dismay.

I share that sentiment.

We have inherited the BAI mega scandal. Moreover, the crash of the BAI inevitably had a repercussion on our economic agenda. It prevented us from going as fast as we could have done in implementing our economic vision. Had we not acted as we did, the repercussion on our economy would have been disastrous. We are lucky to have come out of this turmoil with minimum consequences.

We assumed our responsibility as a caring and responsible Government in the face of the tremendous and horrendous magnitude of the BAI scam. Moreover, we do not fear the criticisms as we know that we are on the right track.

I am confident that this year's budgetary measures will bolster investment, exports, value creation and consumption. These together will trigger a new dynamism in economic activity and impact positively on growth.

Madam Speaker, our challenge today as we proceed to adopt the 2016-2017 Budget is to see to it that we implement the measures announced by the Minister of Finance and Economic Development.

To that effect, I am happy that implementation and monitoring high-level committees have been set up with deliverables and time frames.

I appeal to all my Ministers and civil servants to live up to the challenge and to make their country their most pressing priority.

Let us, as one nation, private sector, civil society, Government, public sector, local community, everybody, roll up our sleeves and work hard together in partnership to change and transform our economy with a new mindset, new vision, new strategic thinking and new energy.

Let us start a new journey together to ascend new heights and cruise confidently towards joining the league of High Income Nations.

We made a giant leap with the First Economic Miracle; let us do it – again. As outgoing President Barack Obama said it so well “Yes, we can”.

Madam Speaker, when I started my speech, I said that this budget will be a game-changer and indeed, it will be.

This Budget paves the way for a New Mauritius, for a Modern Mauritius, an Inclusive Mauritius.

Let us get down to work. Let make it happen the way we want.

Madam Speaker, I wish to express my deep gratitude and thanks to the Government of India and to Prime Minister Shri Narendra Modi for the grant of Rs12.7 billion extended to Mauritius. It is once again a motherly gesture of India to help Mauritius pursue its development and modernisation. The money will be mainly utilised to invest in building the future of the country.

Madam Speaker, we have been so many times criticised that we negotiated with India on the Double Taxation Treaty. I must say that those people who criticise to say the least are dishonest. They are egoists. They are thinking of only their interest, not the interest of the country. Because if we look at the facts, over so many years, India has been pressing Mauritius to renegotiate that treaty. The previous Government, the former Prime Minister, he did not have the guts, the courage. He did not have any vision. He is blind that chap!

(Interruptions)

Television! *Les autres visions!* When we have come back to power, we had to face the reality. India has already passed a law in India and I was told by the Prime Minister that if we do not negotiate, we do not come to an agreement that law will come into operation in 2017 and that treaty will automatically end. So, what we would have done? Sit down and wait for this to happen! When this would have happened, it was made clear to me that there would be no negotiation after that. Well, we have negotiated; we have come to an agreement which we consider is in the best interest of our country. This should not contribute to be as if we are parasites. We must learn to stand on our own feet and this is what this Government is doing. Of course, there will be some immediate effects that people may not like, but people say our financial sector will die. They will die and they will go to hell, not our financial sector.

Madam Speaker, I end on a quote from Socrates that I find very appropriate for the occasion. I quote -

“The secret of change is to focus all of your energy, not on fighting the old, but on building the new.”

I thank you, Madam Speaker.

(11.37 a.m.)

The Minister of Finance and Economic Development (Mr P. Jugnauth):

Madam Speaker, Let me at the very outset thank all the Members on both sides of the House who have participated in the debate on the Budget.

The debate has been very constructive and there have been valuable suggestions that, I am sure, will no doubt help us to strengthen our policies and to aim at even better outcomes.

Madam Speaker, before elaborating on the impact of the Budget, I would like to speak briefly about the kind of legacy that was left behind by the previous Government.

On the macroeconomic front, all major indicators were pointing to an economy that was dangerously moving towards stagnation at a very low growth rate, with rising unemployment, private investment on a free fall, unsustainable levels of

deficits and debt and deteriorating current account of the Balance of Payments. The business as well as consumer confidence in the economy was at its lowest.

There was rampant mismanagement of our public institutions, with most of them accumulating huge losses and debts such as MPCB with non-performing loans of Rs3.2 billion, the DBM, the Mauritius Post, the Casinos, the MBC and many more Madam Speaker, just like the Rose Belle Sugar Estate. Even in the private sector, there were companies, as has been mentioned the BAI Group that was in deep financial mess, that was absorbing public funds in the billions. We have all witnessed the unfolding of those sagas during the first year of our mandate and, in fact, which we had to deal with and to carry out a major cleansing operation.

On top of all these, there was huge wastage - and I say wastage in-between inverted commas - on the implementation of major infrastructure projects such as the Bagatelle Dam with an initial project value of Rs3.1 billion that has hopefully ended up costing Rs6.2 billion; the Terre Rouge Verdun project with an initial cost of Rs2 billion which finally, again hopefully, will cost Rs4 billion. We still have to spend a huge sum of money to repair the structural defects on the road. I will not enumerate all of those projects that have *engouffré des millions et des milliards de nos roupies*. Taken together all these events would have, in fact, rocked the economy and created a financial turmoil. However, we have dealt with them and we can say, to a large extent, that we have succeeded to save the country from a major crisis and, at the same time, protect thousands of families from financial distress. It was indeed a heavy legacy. In fact, the entire development model was cracking at the core and it had to be rebuilt. This was our primary mission Madam Speaker and Budget 2016/17 is anchored to that endeavour while ushering in a new era of development.

Overall, Budget 2016/17 has been well received by the population. In fact, I can recall few Budgets in the past have been so well received. The feedback has been very favourable. The Business leaders have expressed their satisfaction and a vast majority of the SMEs and new entrepreneurs are, in fact, encouraged and seeing a brighter future ahead. Consumers are now able to stretch their rupee further and our unemployed youths, men and women have found renewed hope for getting the right skills and a job that will fit their aspirations. The list is long Madam Speaker, and I will mention just one more - families who have been living in conditions of absolute poverty for generations are now finding new hope for escaping the poverty trap. In

fact, what the Budget does for these families, I have stated earlier, is historic and unprecedented. These are probably also the reasons why, just after the Budget Speech and today the hon. Leader of Opposition has said: *'c'est un budget intéressant'*. I could not agree more.

Madame la présidente, devant les grands défis auxquels nous avons à faire face, on ne pouvait pas se permettre de rester les bras croisés et subir le lourd héritage qu'on nous a légué. On ne peut certainement pas résoudre les problèmes avec les modes de pensée qui les ont engendrés, comme l'a si bien dit Albert Einstein.

Il fallait absolument tout mettre en place pour bâtir un nouvel avenir – un meilleur avenir auquel notre peuple aspire en toute légitimité.

C'est justement la ligne directrice du Budget 2016/17 – une nouvelle ère de développement. The hon. Leader of Opposition has also said that: *'il n'y aura pas de relance économique'*. Of course, on this one - I could not disagree more. First, let me clear out a misunderstanding on the part of some critics of the Budget who have said - and I heard the hon. Leader of Opposition stating it again today in this House - that the Bank of Mauritius is forecasting a lower growth rate than the 4.1% that we are predicting for 2016/17. I would like to make two points clear on this issue. The Bank of Mauritius made its forecast weeks before the Budget was delivered, which means that it was not aware of the new policies announced in the Budget to reboot the economy. The Bank of Mauritius's forecast was, in fact, on a no-policy change basis.

In fact, I have asked the Bank of Mauritius about its forecast with regard now to all the measures that have been announced in the Budget. In fact, I have just received a note this morning whereby they have made a number of comments looking at the measures that have been taken that would be directly affecting the growth rate, I will not go into all of them, but just to say and I read exactly so that there is no misunderstanding -

“Based on the revised assumptions and accommodative monetary policy stands, the bank staff is culling up its projection for real GDP for 2016 to 3.7% and economic growth for 2017 is being forecast at 4% for 2017.

Well, of course, they are barring any unpredictable events and based on their assumptions that they have taken into consideration. Likewise, I must say, I am

comforted when I see that the MCB Focus, after taking the policy impact of the Budget into account, in fact, they are predicting a growth rate of 4.1% for 2017, which is, of course, I would say more in line with our own forecast.

I will be commenting on that later on. It will depend also on how the Government behaves throughout the financial year. How much we go about to implementing all the measures that we have announced and, of course, barring hopefully any negative impact by unforeseen events.

Let me, now, explain how the Budget measures will deliver a 4.1% growth in 2016/17 and ensure '*la relance économique*'. The measures we have taken to increase consumption and investment, in fact, should give the economy a significant spur on the demand side.

The Budget also announces a series of measures on the supply side and at the sectoral level.

Let me start on the demand side -

- (i) Government capital expenditure alone will inject some Rs14.5 billion into the economy in 2016/17 as opposed to Rs10.8 billion in 2015/16. This is an increase of about 34%.
- (ii) Overall public sector investment would amount to Rs34.5 billion in 2016/17 and to some Rs97.6 billion for the next three years.
- (iii) Moreover, Government recurrent expenditure for 2016/17 has been increased by Rs10.5 billion. Thus, Madam Speaker, Government alone will be injecting an extra Rs24.8 billion in the economy.
- (iv) Madam Speaker, this substantial increase in Government expenditure is clearly expansionary. Moreover, its impact will be reinforced by the recovery of the construction industry which has been shrinking over the past 5 years, but which is getting a considerable boost in the Budget.

Our measures to increase demand for residential property includes -

- (v) Full exemption from registration duty to a Mauritian citizen acquiring a new house or a new apartment during the period 01 September 2016 to 30th June 2020 for an amount not exceeding Rs6 m.
- (vi) A first time buyer will now be allowed to buy bare residential land, free of registration duty, on the first Rs2 m., provided the acreage does not exceed 20 perches.
- (vii) An increase in the refund of VAT from Rs300,000 to Rs500,000, on submission of relevant receipts, regarding the construction of a new dwelling or acquisition of a newly built apartment. This is applicable to only households with aggregate income not exceeding Rs2 m. per annum.
- (viii) Allowing promoters, to build and sell residential units of up to Rs6 m., free of land transfer tax. Removing registration duty on a secured housing loan not exceeding Rs2 m.
- (ix) And allowing non-citizens, registered with the BOI and subject to security clearances, to acquire apartments and business spaces in buildings.
- (x) Madam Speaker, the Budget is also significantly increasing the purchasing power of the population with a series of measures, such as by cutting the price of cooking gas by 20% for gas cylinders of 5, 6 and 12 kilos and abolishing customs duty on a number of items which at the same time is taking us closer to the duty free island goal.
- (xi) VAT will be removed on several items. These include -
 - Breakfast cereals
 - Photovoltaic inverters/batteries
 - CCTV camera systems, and
 - Burglar alarm systems and sensors
- (xii) Moreover, we are giving direct income support to families living in absolute poverty; we have raised the income tax

threshold for all categories of taxpayers by Rs10,000 so that families can have more disposable income; and thousands of families who make a living by running their own micro and small businesses will benefit from the suspension of the payment of trade fees, from tax holidays and from a wide spectrum of measures.

On the supply side -

1. We are putting some 21,400 people out of unemployment. This should raise national productivity while, at the same time, increase demand as these people will have more purchasing power.
2. Significant investments are being made in education and training to resolve the mismatch problem.
3. And the Budget gives an unprecedented spur to the development of the digital economy and society. Besides embracing modernity, this strategy will reinforce the economy's drive to innovate and bring about a much-needed technology-driven increase in productivity.

Now, at the sectoral level, the budget is putting a prominent focus on diversification. It promotes new niches such as an oil refinery, gold refining and trading of precious metals and bunkering. It gives a spur to bio-farming, sheltered agriculture, renewable energy and film industry.

Moreover, we are providing a stimulus package to the SME sector; giving a boost to the manufacturing sector with an airfreight subsidy on exports of textiles and apparels; fostering new activities in the financial services sector, and diversifying the tourism industry.

Our strategy also includes an emphasis on economic diplomacy, in fact, to open new markets for our products in countries like Australia, China, India, Russia and, of course, other parts of the world.

Madam Speaker, with these policies, supported by significant improvement in the ease of doing business, and easier and cheaper financing, we have no doubt that we have a powerful recipe '*pour la relance économique*'.

In fact, Madam Speaker, we are expecting most sectors of our economy, including construction to perform better in 2016/17. Indeed, we do not expect negative growth in any major sector of the economy.

Thus, Madam Speaker, barring any headwinds on the international front, the measures taken in the Budget should be able to deliver the 4.1 per cent growth rate. Equally important, Madam Speaker, is that with this growth rate, per capita GDP will rise by around 4 per cent and very few countries in the world can boast of such a per capita GDP growth.

The average per capita GDP growth rate for the world economy in 2015 was a mere 1.27 per cent. It was 2.2 per cent for upper middle-income economies, 1.3 per cent for high-income countries, and only 0.2 per cent for sub-Saharan Africa. In addition, it is manifestly clear that the unemployment rate should go down. Inflation has been subdued and should remain at a low level in the current fiscal year as well. We are hoping that as the economy grows at a faster pace, national savings will also go up, that the savings-investment gap will narrow down and that there will be improvement in the current account deficit of the Balance of Payments. As regards the Budget deficit, our plan is to put in on a downward path.

For 2016/17, we are estimating a budget deficit of 3.3 per cent. Some critics, Madam Speaker, have mentioned that special funds should be included in the calculation of the budget deficit and even stated that this would raise the deficit to 4 per cent instead of 3.3 per cent.

Madam Speaker, this is not the case at all. In fact, the Special Funds have a surplus which, if integrated in the Consolidated Fund, would further bring the deficit down to 2.8 per cent. We are also putting public sector debt as a percentage of GDP on a downward trend. With higher GDP growth and lower deficit, the public sector debt should become more sustainable.

I should here emphasise that we are measuring the total stock of debt according to international definition, but, as well as for the purpose of the statutory public sector debt ceiling, neither definition includes contingent liabilities as part of

the debt stock. Madam Speaker, this is in line with the IMF definition that contingent liabilities should not be counted as part of the public debt stock.

Madam Speaker, with the strategies in the Budget, there cannot be any doubt that our country is definitely heading towards stronger macroeconomic fundamentals.

Let me now come to social development. Topmost on our minds while preparing Budget 2016/17 was the importance of weaving together the economic, social and environmental threads of development.

Economic growth cannot and will not be the only metric by which we will judge the success of this Budget. Overall, there must be more prosperity, wider opportunities and our citizens must be healthier, better educated and able to enjoy a better quality of life.

Yet, while preparing the Budget, we were faced with some harsh realities when looking at the facts and after analysing the views and concerns of those who have participated in pre-budget consultations.

One troublesome truth was that about 6,400 families are living in conditions of absolute poverty as measured against the World Bank's threshold of Purchasing Power Parity USD 3.10 a day, that is, R 1,938 per person per month. I listened carefully the other day to the PNQ of the hon. Leader of the Opposition and again to the remarks. I again say that what we are doing is, in fact, unprecedented because the measure, the threshold in order to categorise somebody as being absolutely poor was Rs6,200. Let me say briefly, it was only a threshold.

Firstly, anybody who would earn income less than Rs6,200 would, therefore, be categorised as being absolutely poor. There would be no topping up for that person to attain or to reach an income of Rs6,200.

Secondly, it does not matter how many people would be living in the household. It could be two. It could be ten. The threshold would be Rs6,200. What we are doing today is, first of all, we are looking at those families where, as I said, if I take one adult, we have increased the threshold to Rs2,720. Of course, for a child, it is less. If there exists one person in a household and earning less than Rs2,720 we would be topping up to make that person earn the Rs2,720. Of course, there is a limit to everything.

When we say *per capita*, we look also at the household. For the first time, in the history of Mauritius, we have made a historic change so that, at least, a family of two adults and three children would be having an income of Rs9,520. That is the ceiling. Of course, if we look at other households where there would be let's say three, four, five adults, and let's say five children because resources are limited, we would have wished to be able to provide more financial support, but because resources are limited, at least, the capping is now Rs9,520. Now, this is the threshold!

I should add also that this is much fairer as compared to the actual threshold, where we have increased the threshold, and then, at least, there is taking into account all the revenue, all the income that is being earned by this household comprised of two adults and three children. They would, therefore, at least, be reaching that amount. However, I must add also that this is a programme, it is not just hand-out.

As my colleague had explained last time, there is a Social Register of Mauritius. First of all, there is going to be a survey, there is going to be a register, and these people will be accompanied. *C'est un programme d'accompagnement* to remove them from poverty, so that they are able to stand on their own feet and, hopefully, within a two-year period, we will be able to do that. That is why I say it is unprecedented. Of course, this is being done with a view to eradicate absolute poverty. Let us see how this programme unfolds, how much success we are able to achieve and, at the end of the day, I hope that we will be very proud of this decision that is being taken in the Budget of today.

Another worrying trend also, Madam Speaker, was the income inequality, as measured by the Gini Coefficient, which was rising. Many middle-income families were moving down rather than up the ladder. I found these trends to be seriously incoherent and inconsistent with our status of an upper middle-income country.

Moreover, these trends confirmed our worries before the elections in December 2014 about the social decay, about increasing poverty, the law and order situation, unsafe roads, the water problem, an education system that needed to adapt, failed housing policies for the poor families as well as for middle-income families, and declining purchasing power, amongst others.

Now, these realities compelled us to take a new approach to social development, starting with two historic decisions, as I have just said.

First, to concretely implement the Marshall Plan against Poverty, for which Government is mobilising an amount of R 2.2 billion for the next three years.

Let me here make the point that Government has in just two Budgets increased the allocation to the Ministry of Social Security, National Solidarity and Reform Institutions by around 45%, from Rs14.7 billion to Rs21.1 billion.

In addition, the second decision is to empower the families currently living in conditions of absolute poverty with, I say again, an unprecedented income support, combined with the actions that I have just mentioned, to take them out of poverty in a sustainable way.

Obviously, Government cannot do it alone. Social problems are very complex.

That is why I have come up with a new CSR framework, with a focused approach.

Madam Speaker, my decision was driven by the need to make more judicious use of CSR money and to get maximum impact in terms of lifting people out of poverty, empowering families, and giving greater protection to vulnerable families.

During pre-budget consultations, it became clear to us that there was significant room for improving the performance of the CSR.

Madam Speaker, the other day, I did not want to give details about how some of the CSR money was being used. I must say I am revolted when I look at returns that...

(Interruptions)

Not to mention any name, but...

Madam Speaker: Please no interruptions!

(Interruptions)

No interruptions, please! Please, proceed!

Mr Jugnauth: I am sure the House will appreciate. For example, a company giving approximately nearly Rs1 m. to finance...

(Interruptions)

Madam Speaker: Hon. Bhagwan and hon. Xavier-Luc Duval, you are interrupting the Minister of Finance.

Mr Jugnauth: I am talking about one case, one example. Nearly Rs1 m. to finance certain organisations for their fun day. Again, I do not want just to give or to mention any name, but certain people who are wealthy, I must say, have benefitted from CSR money, while there are people outside who are, as we say, in absolute poverty. Forget about having a roof, but not even able to have the necessary finances for their everyday food. However, saying this, I am not saying that all the companies are like that; have been doing such practices. I am not saying that. There have been instances where the money has been used judiciously. There are companies that have set up a Foundation where they are doing excellent work also. Nevertheless, all this will be taken into consideration. That is why I want to reassure those non-governmental organisations that are *bona fide*, that are doing a good work, that are contributing to alleviate the suffering of the poor, that they can rest assured. The CSR Foundation will look at their work, will assess, and it is going to be so obvious that, if they are putting their share, they are doing their contribution, they will be supported.

That is why to maintain this *status quo* was certainly not an option. We had to act and we did.

We have no doubt that the new CSR framework will give better outcomes.

I have said and I want to repeat it again, because I have seen some concerns, maybe legitimate concerns from NGOs that have been receiving finances from a number of companies. They have been told now that, with the new framework, there is change in policy. Well, some companies have decided not to finance anymore. That is why we have given them time up to the end of their financial year so that there is no excuse but, at the same time, those who are *bona fide*, those who are genuine, who are achieving effective results and outcomes in alleviating the plight of the poor and the vulnerable families with a lot of dedication, I must say, for quite a number of them. They will get the necessary support from the National CSR Foundation.

Madam Speaker, in our electoral manifesto and in the Government Programme, we have made a pledge to eradicate absolute poverty, and so we will. Yet, another electoral promise that we are fulfilling.

I should here also stress that with equal determination and resolve, we are supporting middle-income families as they strive for a better life. This is especially obvious in the support we are giving them in this Budget regarding housing.

In fact, Madam Speaker, I have announced more than 15 measures to provide low-income families with a decent shelter and to support middle-income families as they construct or purchase their own residence.

Madam Speaker, while the Budget has been widely well received, there have been nonetheless questions on whether the measures of the Budget will be implemented. I should here stress that many measures have already taken effect or will be in force with the passing of the Appropriation Bill this week and the Finance Bill in a fortnight. For example, the measures that are already in effect include the price reduction on cooking gas, and the elimination of customs duty on various items of consumption. Measures that will take effect, with the passing of the Finance Bill, include the removal of VAT, tax reduction on property and other fiscal incentives for the purchase and construction of a residence, raising the income tax threshold for all categories of taxpayers, increased deductions for education, and most measures announced to support the vulnerable persons and the disabled. In fact, there are some 58 legislations that will be amended in the Finance Bill. Of course, we are conscious that the success of this Budget hinges mainly on timely and effective implementation of the major projects and programmes that require complex planning, investment and time to be completed. It is precisely for that reason that we rolled out strategy number nine in the Budget, which is about major public sector reforms.

Madam Speaker, I said in the Budget Speech, I quote –

“The success of the new era of development hinges on effective and expeditious implementation of numerous reforms, new policies, vital national projects and modern ways of doing things. To make them happen requires a public sector that is more efficient and that is nimble enough to adapt fast to change.”

In fact, the Public Sector Reform Programme that we have announced will concern several public sector organisations and bodies and will be carried out after consultations with stakeholders. These reforms are a *sine qua non* condition for providing better services to the population, businesses as well as to Government so

that it can implement its policies more speedily, efficiently and effectively. Equally important is that all these reforms will allow us to make better use of taxpayers' money.

I must also add that the purpose of this reform programme, in fact, goes well beyond this Budget. Let me, here, say that every Ministry concerned with the Reform Programme will be required to submit regular reports on progress made. I will personally chair a High Level Committee to oversee the monitoring and implementation of all the strategies of the Budget. I will thus personally see to it that the ten strategies of the Budget are implemented on time, to deliver the desired impact on our economy and society.

Madam Speaker, I should like to stress that Budget 2016/2017 also shows the commitment of this Government to bring Rodrigues and the other Outer Islands on higher development paths.

Madam Speaker, I will now clarify some measures that were announced in the budget Speech.

First, as the House is aware, - and the Rt. hon. Prime Minister has just mentioned and commented about this - Government has decided not to implement the Heritage City project. I heard that a lot is being said about the Heritage City project. It is good for history just to recall that, in September 2004 - in fact, I still remember how Government became owner of the land at Highlands. It was because we were in Government. The hon. Leader of the Opposition was Prime Minister, I was Minister of Finance. There was the Illovo Deal; we had managed to, I must say, in exceptional circumstances, acquire land and with the intention that it would be developed. In 2004, in fact, we had retained the services of the Alteo Group which came up with a concept plan. Of course, because it was on the eve of the general elections, it just remained as a plan because we did not have time to go about to implement the project. Therefore, the succeeding Government, the Labour Government, in fact, carried on with this project. I do not want to go into the details. Probably, the new Members of the National Assembly of the Labour Party would not be aware, but, certainly, hon. Mohamed would be fully aware, because he was in Government at that time. He knew. The former Labour Government had appointed a Financial Adviser, Crisil.

The whole process was being done for so many years and two developers were being retained. One is Bloom Consortium of Abu Dhabi and the other one is Mahindra Lifespace Developers Ltd. of India. I remember, I was discussing with the former Prime Minister when I did the Budget for 2010 and we included – if you go and have a look at the Budget, you will see that mention was made at paragraph 243 of the Budget with regard to the realisation of the Mauritian Dream; we must invest in it. This includes the Highlands Project which will be reviewed and driven by the Prime Minister's Office. It was being driven by the Ministry of Finance at that time, but after discussions – I don't want to go into the reasons why, but I know it fully well - I told the then Prime Minister that, better you take it, better you drive it and, hopefully, we will come at the end of the road. Nevertheless, we know what happened. Because of Neo Town, the whole thing was stopped. Let me put it that way, it was stopped and, therefore, no project went on. So, there is no new idea, what we started with Heritage City is a good project but, unfortunately, as the Rt. hon. Prime Minister has said, at one time we reviewed; there were a number of issues that came up and we decided that we are not going ahead. Therefore, it is not as if it is new. The Labour Party, in fact, the former Prime Minister – I remember, I was the Minister of Finance - only had to choose between one of those two developers before the project would be started. That was for the Highlands Project.

The amount now which has been earmarked for the project, I can assure the House, that this amount will, in fact, be reallocated to the Metro Express Project and to that effect, we have already made a request to the Indian Government to reallocate the Rs2.7 billion, from the grant of Rs12.7 billion to the Metro Express Project.

Again, with regard to that Metro Express Project, I think the Rt. hon. Prime Minister has given some explanation, but to set the record straight, I would also add to what the Rt. hon. Prime Minister has said. I would recommend the new Members of the Labour Party to have a look at, for example, the PNQ that was put by the hon. Leader of the Opposition to former Minister Anil Bachoo on 18 December 2009, where the hon. Leader of the Opposition asked with regard to the LRT, why it has been abandoned and Government is going for the Bus Rapid Transit System. It is very interesting reading, I must say. You go through it and you will see. Very interesting! But I will quote only maybe two parts of that answer where Minister Bachoo forcefully said –

“In the face of these findings, the two options were examined and the balance tipped in favour of the BRT system for the following reasons – (...).”

A number of reasons are being given. He further went on to say that –

“It is a known fact that most countries are favouring Bus Rapid Transit (BRT) System because of its numerous advantages.”

He informed the House –

“That the terms of reference of the consultant provides for the latter to prepare the detailed engineering designs, that is, the concept planning and design, and the detailed designs in respect of all infrastructural amenities, all the civil works, the traffic management measures, the relocation of existing services and so on.”

He goes on to say and I’ll quote only the last part of it so that we do not spend more time –

“Thus, it can be concluded that all the relevant engineering designs should be ready within the contractual period and the contract will be awarded before the end of this year. The approval of Central Procurement Office has already been obtained.”

Madam Speaker, in other PNQs and PQs that were put, the Minister stated that the cost of the LRT would be, in fact, three times the amount of the BRT. The Bus Rapid Transit System would have cost at that time approximately Rs5 billion.

It is good for me to put on record. The then Government – the Labour Government – had decided to go for the Bus Rapid Transit System. Then, we were going for general elections. An alliance had been made between my party and the Labour Party and the PMSD as well and I remember very well that a number of issues were being discussed to be included in the programme. Suffice for me to say today without going into details that we had been in the Opposition campaigning a lot against the National Residential Property Tax, a tax on interest; the removal of subsidies, for example, on children going for SC/HSC and for the LRT project. I remember the former Prime Minister did not want to go back on these issues. He was saying: “Well, it is a reversal of policies. How am I going to face the people? How am I going to explain that I had approved all this and now we are going back?” Just to say briefly, I remember having spent hours at Clarisse House discussing on those issues. It was a time when we had to print our manifesto. Fortunately, maybe

because I had more endurance than him, then, he decided, he said: “Well, okay, put all these things in the programme, but then we will see.” This is the way he used to conduct business. This is how I convinced him to include that in the manifesto.

(Interruptions)

Amongst others!

I heard a Member commenting that I am against. How can I be against this LRT project? We have been, not only us, maybe others also, but I can speak for myself. I have always believed in that modern mode of public transport and that is how I was able to convince. This is proof that the Labour Party, in fact, had already chosen a different route, but, fortunately, we managed to convince the former Prime Minister. I must say that there is one Member who referred to a letter that I have written to the hon. Prime Minister of India. Yes, I had written a letter and I had made it public also. It is good for me to put on record what has happened at that time.

When the hon. Leader of the Opposition had resigned – I think it was in 2014 as Leader of the Opposition – I was nominated as Leader of the Opposition. *Je le dis en passant. La mesquinerie de l'ancien Premier ministre.* First of all, the Minister of Foreign Affairs for India was visiting us, Mrs Sushma Swaraj, and it is a Convention that an appointment is arranged for the Leader of the Opposition to meet a foreign dignitary. Not only that Dr. Ramgoolam had given specific instructions that there should not be any appointment; he even had the guts to say that to India. You can check. I had talked to the Protocol Services and you know what the Protocol Services told me: “you know we have received instructions from the Prime Minister that we cannot arrange a meeting for you.”

(Interruptions)

C'est de la mesquinerie! But, anyway, I then talked to India and I requested for an appointment and I was given an appointment. It is not proper for me to say the contents of a discussion that I had with Minister Mrs Sushma Swaraj. First of all, I did not even talk about local politics, but secondly, I talked about this letter which I had sent to the hon. Prime Minister. I would not say more, but if you read my letter, you will see how can it be that we were going for general elections and the Government would have allocated a contract for Rs25 billion! Would that be convenient? I mean let the successive Government, whoever it would have been, it has been us. It could have been the Labour Government, then you would have taken

that decision, but not at that time. He was insisting, Dr. Navin Ramgoolam. I do not want to say more, we know what happened.

Let me say one thing also, why we have taken the stand at that time. First, on a matter of principle, you do not sign for such a huge contract on the eve of general election! But, secondly, Madam Speaker - fortunately, I have had the chance of being part of previous Governments. When I was Minister of Finance in the Labour Government, we had also carried out a cost estimate of that project.

We had also carried out a cost estimate of that project and it amounted to approximately not more than Rs15 billion. Then two years after, we hear that the cost has gone to nearly Rs25 billion with operating costs of nearly Rs1 billion per year. Now that is why we said better look at it carefully because the country cannot afford to have such a project at that cost. Also, now we are in Government, we look at the project. I will follow what the hon. Prime Minister has said for today, but let's see. I don't like to anticipate and I don't like to say things until we will receive all the information and the facts, but people will see in the near future what was going to happen because I suppose with time, the project value would have increased normally with inflation, with increase in prices and so on. So we will see and people will make their own judgment. This needed to be clarified so that this thing about we are stealing a project or we are doing it, it is not true. You did not believe in it, we are not stealing anything.

Again, let me say that the Indian Government has, in fact, agreed to our request and, therefore, I will be circulating, at Committee Stage, an amendment to the Estimates 2016/17 to that effect. However, let me add, we have been discussing with the Indian Government and we have flexibility in the future to use that amount to finance other projects should there be a need, but we will, of course, be working on those projects. Because we have a number of other projects that are considered a priority and, of course, Cabinet will be informed first and then, if need be, we will discuss. Nothing can be done without the concurrence of the Indian authorities.

Let me point also that regarding the setting up of the slavery museum project in Port-Louis, a new site has been identified instead of the ex-Labourdonnais Military Hospital.

I would also like to take the opportunity to clarify that private banking is not included in the definition of investment banking and as such will continue to be

licensed and regulated by the Bank of Mauritius. Thus the Banking Act will be amended accordingly.

Madam Speaker during the debates, there are some issues that have come up. Let me comment on just a few.

On our measure to remove the age discrimination regarding the Basic Invalidation Pension so that children below the age of 15 years also can benefit, let me point out that this discrimination, in fact, has been there for nearly 39 years.

Therefore, Madam Speaker, it will be remembered that it is this Government that has put an end to this discrimination. I would like to also clarify that persons above 60 years of age and with severe disability do, in fact, receive their Basic Retirement Pension together with a carer's allowance of Rs2,500 per month, therefore making a total of Rs7,750 per month.

Now, in order to correct an anomaly, the division of assets between ex-spouses following a divorce, assets which have been acquired during the legal community of goods will be exempted from registration duty and land transfer tax.

The hon. Leader of the Opposition also had raised an issue with regard to the current account deficit. In fact, mention is made and if we look at the supplement to the Budget Speech, at page 12, the trend in the current account deficit is, in fact, clearly illustrated in the supplement and it has been reduced from a deficit of 7.2% to a deficit of 4.8% in 2015. Of course, I am concerned with the trend that it took going down and down and further down for some time. We cannot, as a responsible Government, use or borrow money to finance recurrent expenditure.

This is, of course, against the basic principles of good economic management, but it cannot be corrected at one go, it cannot be corrected after only two Budgets. I must say we are on the right path. The situation is improving and hopefully, at the end of the mandate, I want to see that this is positive instead of negative.

With regard to the impact of the amendment to the double taxation avoidance treaty, well the hon. Prime Minister has spoken about that and, in fact, I was also together. We met the hon. Prime Minister. I had met the hon. Minister of Finance of India, the Minister of Foreign Affairs. They have all impressed upon us that, if we don't do anything, the law will come into operation therefore, it will affect, it will have an impact on the double taxation avoidance treaty and it was mainly in our

interest that we do come to an agreement and more so, Madam Speaker, we are not dealing with anybody we are dealing with India; we are dealing with a country where I do not have words to describe the relationship we have with India only to say that it is exceptional. That is why - you know I wouldn't say among friends, among families - what was told to us by the Indian Government is that we should be able, at least, to come to an amicable settlement. We cannot do like what formerly has been done when a former Minister of Finance said: Well India, if you want to take any steps, do whatever you want, you do. We will stay put and we will just see what will happen. This is not the right attitude. This is a confrontational attitude I would say which was not really appreciated by the Indian Government at that time. Of course, any changes will have an impact. We have to see to it what measures we take and this is why we have taken a series of measures in the financial sector to develop new instruments, to come up with innovative instruments. I can also say we have been monitoring the situation; so far, I must say, there is nothing really abnormal, but we have to continue monitoring the situation. I must say also that this treaty as it stands today, following the amendment, there have been other amendments which India has done with, for example, Singapore, with Cyprus but up to now, the Mauritian treaty is still the most favourable treaty as compared to the other treaties.

Concerning our debt management strategy, we have again lengthily elaborated at page 10 of the Estimates and with regard to certain comments that have been made by the hon. Leader of the Opposition, I could not agree more with regard to the fact that we have an ageing population and that is why we have announced also that there is need to be reforms with regard to pensions. Of course, whatever is going to be done will be done in consultation with all the stakeholders. In fact, we need to be guidance by expert advice and we will have to come up, therefore, with recommendations that the Technical Committee and the Ministerial Committee will submit to Government.

With regard to debt, yes, I am also concerned. We have reached a high level of debt. That is why we have again taken, I would say a very courageous decision to reimburse before time about Rs4.3 billion of debt that was in USD. We could have used that money for a number of projects, but we have to show our determination. In fact, we have to show that there is a will to bring down the level of public debt.

The Leader of the Opposition has also said that *les projets d'avenir sont de plus en plus difficiles à trouver*. Yes, it is very difficult. People are not queuing, in

fact, to come to Mauritius just to invest. That is why we need to take appropriate measures. We need to give the necessary incentives to be able to attract those people. As the Rt. hon. Prime Minister has rightly said, whenever people are interested, they are keen, they come up with projects, we should see to it - of course, provided that all the conditions are being met – that we don't frighten them or we don't make as if they are unwanted, but that we, at least, are able to welcome them and see that their investment is concretely translated into action for the benefit of the country.

I think that was about what was being said. Well, the last point is, maybe with regard to FDI and that is linked to what I have just said. Of course, FDI is also a concern. FDI has been going down. We depend a lot on the private sector to invest, but it is not only with regard to the private sector locally. We have to see to it that we open Mauritius and that is why one of the measures that have been taken is to allow foreigners to be able to purchase an apartment, a flat or office premises in Mauritius.

Therefore, let me conclude, Madam Speaker. Budget 2016/17, in fact, focuses squarely on the aspirations of our youth, men and women, on micro and small businesses, on new entrepreneurs and start-ups, on lifting families out of poverty, and on strengthening the middle class.

We have prepared the Budget with the conviction that every Mauritian deserves a real and fair chance at moving up the social ladder and that every Mauritian must regain the sense of optimism in the future.

Thus Budget 2016/17 will be remembered, I hope, as the Budget that -

- Had reversed the unemployment trend
- Had restored a higher growth path
- Created a new class of entrepreneurs
- Had shaped the digital economy and society
- Took a historic action to lead families out of absolute poverty
- And, a Budget that rolled out one of the boldest public sector reform programmes ever.

Indeed, Madam Speaker, the Budget sees the future in a new light.

Madam Speaker, I am confident that our goals will be attained.

Thank you.

Question put and agreed to.

Bill read a second time and committed.

Madam Speaker: I suspend the sitting for one hour.

At 12.50 p.m. the sitting was suspended.

On resuming at 2.00 p.m. with Madam Speaker in the Chair.

ANNOUNCEMENT

COMMITTEE OF SUPPLY – VOTES – TIME ALLOCATION

Madam Speaker: Hon. Members, I have to inform the House that in accordance with Standing Order 73(4) and after consultation with the Whip, it has been decided to allot time as appropriate for the consideration of different votes of expenditure. As we go along, the time allocation in respect of each vote of expenditure will be announced. I will, of course, exercise some flexibility as and when necessary. But, for the orderly conduct of the Committee of Supply, we will proceed page by page.

Mr Baloomoody: Yes, we appreciate your remarks, but we have not been favoured a copy of how much time is allocated.

Madam Speaker: But the Opposition Whip already has a copy.

(Interruptions)

I will ask the Whip to do that.

(Interruptions)

I said that I will inform you as we go along of the time allocation.

COMMITTEE OF SUPPLY

(Madam Speaker in the Chair)

ESTIMATES 2016-2017 & INDICATIVE ESTIMATES 2017-2018 AND 2018-2019

Vote 1-1 Office of the President was called.

Mr Uteem: Madam Chairperson. On page 2 item 22900 - *Other Goods and Services* there is an amount of Rs7,925,000 can I know from the Rt. hon. Prime Minister what this relates to? Item 22900 I just want to know details about what those *Goods and Services* relate to.

The Prime Minister: Payment for uniform allowances to eligible officers Rs425,000, personal secretariat of retired President Rs2,000,500. This is, I suppose, provision for the payment of salaries to secretariat staff, telephone privileges, air tickets and other services to former Presidents and Governor General. There are three former Presidents and two spouses of former Governor General. Hospitality and ceremonies Rs5,000,000, increase in provision due to increase in activities for all hospitality offered by this Office including main functions like diplomatic dinners, garden party, insignia ceremonies and visit of Heads of States.

Mr Baloomoody: On the same page, Madam Chairperson, items 22060 – *Maintenance and 31111 – Dwellings*. Regarding *maintenance* we find that there is a big increase of nearly Rs3 m. for maintenance and, at the same time, we are voting especially for this financial year a sum of Rs16 m. for the upgrading of the State House. May I know exactly for which purpose this fund is being voted?

The Prime Minister: Provision for maintenance of buildings Rs1,500,000, plant and equipment Rs1,500,000, vehicles and motorcycles Rs1,000,000, equipment Rs100,000, furniture and fixtures and fittings Rs200,000, for grounds and works for the agricultural section Rs3,000,000.

Mr Ameer Meea: Madam Chairperson, coming back to what hon. Baloomoody requested for the *Dwellings* there is an amount of Rs16 m. that has been budgeted. It is item 31111.

The Prime Minister: Office of the President, the chateau has had to be renovated in the year 2002-2003. The roof is leaking badly and there is need to undertake urgent repair works. Messrs Macbeth Architects Consultants were approached to carry out a survey and to make recommendations as appropriate including the preparation of the proper maintenance plan. The repair works to the roof as well as the other associated works are estimated to cost approximately Rs95 m. The works will be carried out in two phases. Phase I repair to roof leakages will cost

around Rs17.93 m. approximately. Tender documents are being prepared by MPI and bids for construction work will be launched within a period of two months.

Vote 1-1 Office of the President (Rs84,500,000) was, on question put, agreed to.

Vote 1-2 Office of the Vice-President was called.

Mr Bhagwan: Vote 1-2 on item 22130 - *Studies and Surveys* Rs3 m. for studies and surveys. Can we have some details? Page 4. 22130.

The Prime Minister: Provision to meet the cost of consultancy services, preliminary expenses for the construction of an office cum residence for the Vice-President at Avenue Farquhar Quatre Bornes on a plot of State land already vested in the Office of the Vice-President.

Dr. Sorefan: On Page 3 regarding item 21 that is, compensation of employees - I see that in post, up to June 2016 we have 10 employees and being funded for this new Budget 15 new, but I don't see any increase in salary or provision made for those five new posts.

The Prime Minister: Well, it depends when they join.

(Interruptions)

Depending when they were recruited

Mr Baloomoody: On page 4 item 22030 – *Rent*, every year we are spending Rs850,000 for rent. The more so that it is the office of a Vice-President. Is it proper for a Vice-President to be in rented premises and there was a policy decision a few years ago to have the house which was supposed to be for the Speaker which has been abandoned to be renovated so that the Vice-President could occupy this as office? Can I know what is the position?

The Prime Minister: Well, that is so. How can I explain?

Mr Ameer Meea: Madam Chairperson, on page 4 on the same item - *Studies and Surveys* may I ask the Rt. hon. Prime Minister if he can table a copy of this study and survey which has cost Rs3 m. about the construction of a house or residence for the Vice-President?

The Prime Minister: It is estimated, I have just answered that.

Vote 1-2 Office of the Vice-President (Rs17,400,000) was, on question put, agreed to.

Vote 1-3 National Assembly was called.

The Chairperson: I will take it page by page. It is more orderly if we take it page by page. Who has question on page 6? Hon. Baloomoody!

Mr Baloomoody: On page 6, *Office of the Clerk, Operations Officer Broadcast - 2*. May I know where matters stand with regard to the recruitment of these officers?

The Prime Minister: Operations Officer Broadcast is a new post. The number of established and funded positions is 2, number in post right now is nil and funded vacancy is 2. The National Assembly is implementing the live broadcasting of the proceedings of the House and matters thereto. The Operations Officer will assist the Manager of the Broadcast Unit. The post will be filled as soon as the scheme of service is prescribed.

Mr Baloomoody: May we know when we intend to have live broadcasting of the National Assembly proceedings?

The Prime Minister: It will not take too long, I hope. Coming soon!

Mr Bhagwan: On page 8, *Capital Expenditure, item 31112.442, Non-Residential Building, upgrading of building, Rs5 m*. There are lots of problems concerning this building which was refurbished by the previous contractor. Can we know whether there is still retention money? There is still a lot work which has not been done properly. Can we also know whether there are actions taken against the contractor?

The Prime Minister: It's provision for refurbishment of the kitchen and the Lunch Room of the National Assembly and purchase of new kitchen appliances.

Mr Uteem: Under *item 22900.004 - Catering*, can we know from the Rt. hon. Prime Minister when would the contract for catering be awarded?

The Prime Minister: Well, if it is urgent, it will be done very soon. If it is not very urgent, it will take some time.

Mr Baloomoody: On the same page, *item 22120, Fees*. Last year, it was Rs29,000, but this year, especially, we have made provision for Rs900,000. May we know for what purpose and who will be the beneficiary of these fees?

The Prime Minister: Increase in provision is for training of staff and Members of Parliament in using new IT tools, as the National Assembly is moving towards e-Parliament and training of staff working on Live Broadcasting project.

Vote 1-3 National Assembly (Rs322,100,000) was, on question put, agreed to.

Vote 1-4 Electoral Supervisory Commission and Electoral Boundaries Commission was called.

Mr Bhagwan: On page 9, last line, *item 22900.099, Review of Electoral Boundaries*. We are being asked to vote Rs100 m. Can the Rt. hon. Prime Minister give some details where matters stand concerning this review and how this sum will be spent?

The Prime Minister: For Review of Electoral Boundaries, the cost of project is Rs100,000.

Mr Uteem: Under *item 22040, Office Equipment and Furniture*, there is a nominal sum which has been budgeted. May I know from the Rt. hon. Prime Minister where does this Electoral Supervisory Commission sit? Do they have an office for themselves? Do they have any staff? Because there is no rent, there is nothing. So, where are they supposed to sit?

The Prime Minister: It is at Max City building. I do not know what it is.

Mr Baloomoody: Are the Electoral Boundaries Commission and Electoral Commission sitting in the same office?

The Prime Minister: Well, I suppose so. They must be in the same one.

Mr Ameer Meea: On page 9, on the first item, *21110.001, Basic Salary*, there is the post of the Chairman and also members of the Electoral Supervisory Commission. There has not been any change on the basic salary, that is, for years 2015-2019, it has remained the same. Why is it that, in the light of the PRB, the salary of the Commissioner of the Electoral Supervisory Commission and its members has not increased?

The Prime Minister: Well, fees are being reviewed, I have been told.

Mr Mahomed: With regard to item 22120, *Fees*, we see that for the year that has gone by, travelling within the Republic has cost us Rs17,000, and then, exceptionally for this coming year, it is going to be Rs700,000 and then Rs100,000 subsequently. May we know why that surge?

The Prime Minister: Well, it is provision for passage costs and accommodation costs.

Vote 1-4 Electoral Supervisory Commission and Electoral Boundaries Commission (Rs2,900,000) was, on question put, agreed to.

Vote 1-5 Office of the Electoral Commissioner (Rs73,800,000) was called and agreed to.

Vote 1-6 The Judiciary was called.

The Chairperson: Hon. Baloomoody!

Mr Baloomoody: Can I come back to page 13, the Strategic Note. It is stated that Government intends to introduce a legislation to set up a separate Court of Appeal and a separate High Court Section of the Supreme Court. May I know from the Rt. hon. Prime Minister when does Government intend to come to a proper legislation to have these two new institutions?

The Prime Minister: It is earmarked for the creation of a separate Court of Appeal and a separate High Court section of the Supreme Court.

(Interruptions)

Well, I can't say when. But, it will be done!

(Interruptions)

The Chairperson: Page 14, hon. Uteem!

Mr Uteem: Madam Chairperson, item 21110, *Compensation to Employees*, District Magistrate, three lines from the bottom of the page. There is going to be an increase in the number of District Magistrate, from 15 to 25. 10 more! So, may I know from the Rt. hon. Prime Minister which Districts are concerned by this increase and where would these additional Magistrates sit?

The Prime Minister: This is a matter for the Chief Justice; he will decide. The Master and Registrar! It is a matter for the Supreme Court.

The Chairperson: Page 14.

Mr Baloomoody: On the item 21110.001 - *Director of Court Services, Deputy Director Institute for Judicial and Legal Studies* respectively, we find that no provision has been made for these posts. Does Government intend to keep these posts on the Establishment or abandon them because no provision is made and no recruitment also?

The Prime Minister: Most likely it won't be done within this Budget period. Well, I have just got a note here. The post was advertised in October 2012. No qualified candidate was available. Recruitment on contract is being envisaged pending review of the scheme of service. This post is essential to relieve the Master and Registrar from some administrative and managerial functions regarding the day to day running of the Judiciary with regard to Court administration, manpower planning, finance, procurement and infrastructure.

The Chairperson: Hon. Rughoobur!

Mr Rughoobur: On page 16...

The Chairperson: We are proceeding page by page, hon. Rughoobur! We are on page 14.

Mr Baloomoody: On the same page, Judicial Research Assistant, again no provision has been made for this year. May we know where matters stand with regard to Judicial Research Assistant, which is an important post I must say?

The Prime Minister: In its 2016 Report, the Pay Research Bureau has recommended the creation of the new grade of Judicial Research Assistant. Appointment thereto will be made from among holders of a degree in Law from a recognised institution or equivalent qualification.

The Chairperson: Page 15! Hon. Uteem!

Mr Uteem: On page 15, under item Official Receiver. Again no mention is made about the appointment of the Official Receiver who has a very important role to play in the Bankruptcy Division of the Supreme Court.

The Prime Minister: The post is no longer on the Establishment.

The Chairperson: Yes, hon. Baloomoody!

Mr Baloomoody: At page 15, item Secretary to Judge! Again we see that no provision has been made for the filling of the post of the Secretary to Judge and we know how much assistance a Secretary would be for the Judge.

The Prime Minister: The PRB has not recommended the creation of a post of Secretary to Judge.

Mr Baloomoody: On the same page 15 with regard to Manager, Procurement and Supply, again no provision has been made for that post. It is an important post with regard to procurement.

The Prime Minister: You should be happy there will be fewer expenses.

(Interruptions)

Mr Baloomoody: This leads to delay in justice. Justice delayed is justice denied!

(Interruptions)

The Chairperson: Hon. Rughoobur!

Mr Rughoobur: On page 16, item 22030, *Rent*. It has been decided in the Budget that the some of the court houses are presently being rented.

(Interruptions)

Item 22030, Rent. It has been decided that some of the buildings are presently being rented. The court houses like Pamplemousses will be transferred to SIFB Building, but I see here that the rent is almost the same for the financial year 2016/2017. So, may I know if the SIFB building will host those court houses? It should have decreased. It is static there. Can I have an explanation on this?

The Prime Minister: I understand it for a transitional period.

Mr Ameer Meea: On page 16, item 22100 - *Publication and Stationery*. I see that there has been a sudden increase from Rs9.7 m. to almost Rs16 m. May we have the details and the breakdown of this item?

The Prime Minister: The increase in provision is due to increase in publication of notice in newspapers. Provision also includes refunds of newspapers to Judges and purchase of Mauritius Law Reports.

The Chairperson: Yes, hon. Uteem!

Mr Uteem: At page 16, under item 22030 – *Rent*. I see the rent is actually decreasing. I go to my earlier question. If we are increasing the number of Magistrates, Senior Magistrates, how can we reduce the rent? Where are these new Magistrates going to sit?

The Prime Minister: It is because the Mediation Division has moved to Astor Court.

The Chairperson: Page 17!

Mr Ameer Meea: Under the first item 31112.015 (*a*) *New Supreme Court Building*, a sum of Rs1.1 billion is earmarked. It has been announced in the Budget a state-of-the-art Court building for the Supreme Court and all its Divisions. May we have some details on this project? Will it be the actual Supreme Court that will be renovated at the cost of Rs1.1 billion or will it be a new Supreme Court?

(Interruptions)

Let the Rt. hon. Prime Minister give the details.

The Prime Minister: It is going to be built, a new one.

The Chairperson: New Supreme Court.

Mr Ameer Meea: Where will it be?

The Prime Minister: I think in Port Louis.

(Interruptions)

Where the Education Office used to be in the past, at Edith Cavell Street.

Mr Mahomed: I had that question, but since part of the answer has already been given, which department...

The Chairperson: On which item number, please?

Mr Mahomed: Same item, 31112.015 (*a*) *New Supreme Court Building*. Which professional team is going to work on this? Is it going to be the architects,

engineers of the Ministry of Public Infrastructure or is it going to be subcontracted to private architects or engineers?

The Prime Minister: Well, I don't know whether it will be private or Government architect and all that. Consultant will be required. There must be consultancy services first.

Mr Baloomoody: On page 17, under item 27210.010 *Legal Assistance in "in forma pauperis"*, may I know from the Rt. hon. Prime Minister how much has been spent in last year's Budget with regard to that provision and whether there is the intention of Government to increase the threshold?

The Prime Minister: Provision for legal assistance in "*in forma pauperis*", legal aid is granted to needy people drawing income not exceeding Rs10,000 per month and owning property not exceeding Rs500,000. Under the Legal Aid Scheme, expenditure included fees as well as refund of air tickets to and from Rodrigues to Attorneys and Barristers, expenditure for same.

For the Financial Year 2015-16, an amount of Rs1,195 m. has been paid.

Mr Uteem: Under item 31122.802 *Acquisition of IT Equipment* – subsection (c) *Revamping of Digital Court Recording System*, there is an amount earmarked for this year of Rs12 m. and next year Rs13 m. May I know from the Rt. hon. Prime Minister whether the *Revamping of Digital Courts* also concerns District Courts or, as it is now, just the Supreme Court?

The Prime Minister: What I see here is all District Courts.

Mr Baloomoody: On the same page, the last item 31132.401 *Upgrading of ICT Infrastructure*, I find that no provision has been made with regard to the *e-Judiciary Project – Phase II*. There was no provision last year and there is no provision this year, but there is a provision apparently for 2017-18. May we know where matters stand with regard to that project?

The Prime Minister: *E-Judiciary Project - Phase II*, it's rolled out to the other Divisions of the Supreme Court and to the subordinate Courts. It can only be contemplated upon a successful implementation of Phase I.

The Chairperson: I wish to draw the attention that we have already exceeded the allotted amount of time on this vote item. So, I will allow one last question. Hon. Osman Mahomed!

Mr Mahomed: Yes. Thank you, Madam Chairperson. Paragraph 199 of the Budget Speech mentions that the District Court of Moka will go under repairs and upgrading, and item 31112.015 talks about a *New Moka District Court* and that to be started in 2018/19 at the cost of Rs99 m. So, would the Rt. hon. Prime Minister be able to shed some light because in the fourth year Rs5 m. will start disbursement?

(Interruptions)

The Prime Minister: Moka District Court has already been constructed.

(Interruptions)

Mr Mahomed: So, part of the answer that I am getting is that it has already been constructed, but if it has just been constructed, why will it need to undergo repairs and upgrading as per the Budget Speech?

(Interruptions)

The Chairperson: You are talking of Moka District Court?

Mr Mahomed: Yes.

The Prime Minister: Because it is for the old Court, old building.

Vote 1- 6 The Judiciary (Rs696,700,000) was, on question put, agreed to.

Vote 1-7 Public and Disciplined Forces Service Commissions was called.

The Chairperson: Hon. Baloomoody, page 19.

Mr Baloomoody: No, I'll go to page 18 first, dealing with the same.

The Chairperson: Okay.

Mr Baloomoody: According to me, the Key Actions for FY 2016/17 is misleading. It says *Key Action - Timely processing of disciplinary cases by reducing time taken to settle cases*. It wants us to believe that the *Average time taken to settle disciplinary cases* today is only 6 weeks and the target is 4 weeks, when we all know - Rt. hon. Prime Minister, you are aware - that years and years have gone on and no

disciplinary action has been taken. So, it is misleading to say that they settle matters within six weeks. It will be 60 weeks probably.

The Prime Minister: It is an average.

The Chairperson: Page 19, hon. Baloomoody.

Mr Baloomoody: We find for the post of Legal Officer on the same page, the one before last, *Legal Officer (New Grade), Industrial/Occupational Psychologist*, no provision has been made. It was not made last year, it is not made this year and it is not made for the future. Will this post be abandoned?

The Prime Minister: The new grade of Legal Officer has been recommended by the Pay Research Bureau. The post is to be filled on a contractual basis. The proposed scheme of service is being worked out.

The Chairperson: Hon. Ameer Meea, page 19! No! Page 20! Page 21! Yes.
Hon. Ameer Meea!

Mr Ameer Meea: On page 21, the second item 22120 – *Fees*, there is an amount of Rs3,850,000 may we have the details and the breakdown of this figure?

The Prime Minister: Fees to Chairperson and Members of the Boards and Committees Rs200,000; for payment of fees to Chairperson, Members of Departmental Tender Committee and Bids Evaluation Committees Rs100,000; fees for training Rs3,500,000; fees to Mauritius Qualification Authority Rs50,000.

Mr Uteem: Under item 31112.001 - *Construction of Office Building* and then under item 31112.401 - *Upgrading of Office Buildings* may I know from the Rt. hon. Prime Minister which building are we talking here and why are we upgrading and then, at the same time, constructing? Is it the same building for the Service Commission?

The Prime Minister: It is provision for payment of retention money. The contract for the construction of a new wing for a project value of Rs35,075,000 in the compound of the Public and Disciplined Forces Service Commissions.

Vote 1-7 Public and Disciplined Forces Service Commissions (Rs89,600,000) was, on question put, agreed to.

Vote 1-8 Public Bodies Appeal Tribunal was called.

Mr Baloomoody: On page 22 Main Achievement for the year 2015/2016 it says that 51 Determinations and 8 Rulings issued as at end June 2016. May we know how many cases have been lodged? So, to know how many have been determined, how many have been lodged for that financial year?

The Prime Minister: The number of appeals received is 1111, number of appeals heard in which a determination was delivered 450.

Mr Ameer Meea: On page 23 item 21110.001 - *Member Public Bodies Appeal Tribunal* there is funded position 2 staff. Last year it was Rs1.2 m. the salary and it has been budgeted for next year Rs2.2 m. and the number of staff remains the same; so why this increase of Rs1 m.?

The Prime Minister: Why is it double?

(Interruptions)

Well, the answer is PRB!

(Interruptions)

Mr Uteem: Thank you Chairperson. The item is 21111...

(Interruptions)

The Chairperson: Hon. Ameer Meea, do not make remarks. We are in the Committee of Supply now, we are not in the debates! Hon. Uteem!

Mr Uteem: Yes, 21111.100 – *Overtime*. Overtime has been last year Rs16,000 then it will be Rs20,000 the following years, but next year it will be Rs300,000. So, may I know from the Rt. hon. Prime Minister why are we anticipating so much overtime for next year?

The Prime Minister: It is provision for payment of travelling expenses. The increase in provision is due to revised rate of travelling allowances as per PRB Report 2016 and recruitment of additional staff.

Mr Mahomed: A question of similar...

(Interruptions)

The Prime Minister: Well, it is provision for payment of overtime staff and drivers, and staff of the Ministry of Public Infrastructure and Land Transport for renovation work done at Belmont House.

Mr Mahomed: Item 21110.001 - *Management Support Officers* on page 23. My question is similar in nature to hon. Ameer Meea's one. The salary for two MSOs was last year Rs219,000 and for next year it is expected to be Rs448,000 which is more than double when we know that PRB has visited the MSOs and they have had an increase of about 15%. So, there is a huge disparity which, according to me, is not due to PRB.

(Interruptions)

The Chairperson: Page 24, hon. Quirin!

Mr Quirin: Yes page 24, Madam Chairperson item 22060 – *Maintenance* there is a high increase in the maintenance fees from Rs334,000 to Rs2,735,000 can I know the reasons?

The Prime Minister: It is provision for maintenance of building. Then, of course, there is additional cost for plant and equipment, for two vehicles of chairperson and full time member, IT equipment, furniture, fixtures and fittings; it includes all these.

Mr Uteem: On the same item, the question is about maintenance of buildings. The maintenance is jumping from Rs40,000 to Rs2.5 m. and we know that this tribunal is already renting premises. So, the question is why are we spending Rs2.5 m. in maintaining rented premises?

The Prime Minister: Well, I have been given a note here; provision is being made for renovation works at the fourth floor of Belmont House.

Mr Baloomoody: On the same page, under item 22120 - *Fees*, may we know for what purpose?

The Prime Minister: Provisions have been made for retainer fees to Counsel, for payment of fees to Attorneys and Counsel on a case to case basis and retained to represent the Tribunal before the Supreme Court in any case referred to the Supreme Court for a Judicial Review. The number of cases for the year is 5. Fees paid to

Barristers are Rs476,000. The increase in provision is due to the increase in number of cases.

Vote 1-8 Public Bodies Appeal Tribunal (Rs17,000,000) was, on question put, agreed to.

Vote 1-9 Office of Ombudsman was called.

Mr Bhagwan: On page 26, under item 21110.001, *Basic Salary - Ombudsman*. Can I know from the Rt. hon. Prime Minister whether there is a new Ombudsperson or the same person is still there?

The Prime Minister: It is the same one.

The Chairperson: Page 27, hon. Ameer Meea!

Mr Ameer Meea: On page 27, there is an item *Rent*. There has been an increase from Rs654,000 to Rs1.2 m. May we know why there is an increase in the sum of this rent? May we also have some details what is being rented on the floor space area?

The Prime Minister: The increase in provision is due to additional costs of renting a larger office space.

Vote 1-9 Office of Ombudsman (Rs12,300,000) was, on question put, agreed to.

Vote 1-10 National Audit Office was called.

Mr Baloomoody: On page 29. Let me take this opportunity to congratulate the Director of Audit for the excellence works they are doing. Of course, there is a need to increase the manpower and I find that there would be an increase in *Examiner of Accounts* from 28 to 55. May I know where matters stand with regard to their recruitment since we are already two years in this financial year?

The Prime Minister: 27 vacancies in the grade of Examiner of Accounts/Senior Examiner of Accounts have been filled in a temporary capacity from July 2016. These 27 officers will thereafter be appointed in a substantive capacity on completion of a probationary period of one year.

Mr Jhuboo: Under item 22120, *Fees*, there is an increase from Rs1.7 m. to Rs2.8 m. for this financial year. Can we have the details of that provision, please?

The Prime Minister: Provision has been made for fees for training, fees to consultant, refund of subscription fees to professional bodies, inspection and audit fees.

Vote 1-10 National Audit Office (Rs157,800,000) was, on question put, agreed to.

Vote 1-11 Employment Relations Tribunal was called.

Mr Baloomoody: On page 31, *Main Achievements for FY 2015/16*. We know that 124 cases were referred to the Tribunal and 224 cases were disposed of. May we know how many complaints there have been in total which have not been disposed or are still pending and have not been referred to the Tribunal?

The Prime Minister: The number of cases lodged as at 30 June 2016 is 124.

Mr Baloomoody: It is written here that 124 cases have been lodged and the total amount of cases disposed is 224, but it does not tell us how many complaints there have been and how many cases they have handled.

The Prime Minister: Well, I suppose the number of cases lodged, these were the complaints. Were there more complaints?

Mr Baloomoody: Out of Court, by settlement between the parties in the Tribunal itself. So, we want to know how many complaints there have been that they have handled.

The Prime Minister: How many complaints have been settled amicably!

(Interruptions)

Well, we will get the information and I will table it.

Vote 1-11 Employment Relations Tribunal (Rs24,200,000) was, on question put, agreed to.

Vote 1-12 Local Government Service Commission was called.

Mr Baloomoody: On page 34, *Main Achievements for FY 2015/16*. *Number of disciplinary cases finalised: 48*. May we know how many disciplinary cases are pending?

The Prime Minister: Well, luckily no case is pending.

Mr Uteem: On page 34, Madam Chairperson - *Number of vacancies filled:* 247. Does the Rt. hon. Prime Minister have the figures for the number of vacancies currently which have not been filled?

The Prime Minister: 247 posts have been filled out 595 reported.

The Chairperson: Page 35! Page 36! Yes, hon. Osman Mahomed!

Mr Mahomed: The LGSC used to have 45 staff. Now, it is going to have 50. So, it is quite a small department and the building where it is presently operating is - according to item *Capital Expenditure, item 31112.801* - going to be extended and renovated to the tune of Rs48.6 m. Now, for a small department of 50 people, that figure appears high to me. So, may the Rt. hon. Prime Minister shed some light onto why is the figure so much?

The Prime Minister: Provision of Rs20 m. represents preliminaries and general costs in connection with the extension of the Local Government Service Commission building's second floor, the revised project value of Rs48,600,000. The objective of the project is to provide additional office space for (i) Staff and members of the Commission, and (ii) archive room.

Mr Uteem: On the same page, Madam Chairperson, item *31122.082 Acquisition of IT Equipment*, there is a budget of Rs6.3 m. May I know from the Rt. hon. Prime Minister what does that relate to and whether the contract has already been awarded?

The Prime Minister: Provision for the replacement of two servers and 12 PCs which are all in use for more than five years.

Vote 1-12 The Local Government Service Commission (Rs56,400,000) was, on question put, agreed to.

Vote 1-13 Independent Commission Against Corruption was called.

Dr. Sorefan: Madam Chairperson! On page 39, item *26313.026...*

The Chairperson: No question on pages 37, 38! Page 39!

Dr. Sorefan: *Recurrent Expenditure, item 26313.026, Staff costs*, which is amounting to Rs178 m. May we have a list of those staff?

The Prime Minister: The allocation of the budget of ICAC is in accordance with the provisions of the Prevention of Corruption Act. It falls within the duties of the Parliamentary Committee on ICAC to approve same. The monitoring of the budget is well laid down in the PoCA itself. The law clearly provides that the ICAC has been specifically designed to be independent and that each oversight remains with the Parliamentary Committee which comprises of Members from both sides of the House.

Mr Uteem: Madam Chairperson, on the same item *Grants ICAC*, it was announced in last year's budget, not this year's, that there is going to be a Financial Crime Commission. May I know from the Rt. hon. Prime Minister whether this grant to ICAC which is already provided for three years will remain the same or will be subject to whatever happens on the Financial Crime Commission?

The Prime Minister: I have no idea!

(Interruptions)

The answer is, the Parliamentary Committee will decide. When the time comes, provisions will be made.

The Chairperson: Hon. Dr. Sorefan!

Dr. Sorefan: Madam Chairperson, on same page, Capital Expenditure, item 26323.026, *(b) Computerisation Project*, I don't see the project value although we see money has been earmarked. May we know what is the project value?

The Prime Minister: I suppose the amount mentioned is the project value.

Vote 1-13 Independent Commission Against Corruption (Rs211,500,000) was, on question put, agreed to.

Vote 1-14 National Human Rights Commission was called.

Mr Baloomoody: Can I refer to page 40, the Mission Statement is – “To protect and promote human rights through public sensitisation (...)”. Can we know when the National Human Rights Commission will be operational?

The Prime Minister: Apparently, it is already operational.

Mr Baloomoody: The Police Complaints Commission!

The Prime Minister: That is another matter!

Mr Uteem: Under item 26313.060, the *Staff costs* is actually increasing from Rs15.9 m. to Rs18.2 m. So, may I know from the Rt. hon. Prime Minister being given that one division of the National Human Rights Commission namely, the Police Complaints Division has been abolished and the work is being transferred to the Independent Police Complaints Commission, why do we still have to have such an increase in the staff costs of the National Human Rights Commission which will have one division less?

The Prime Minister: Provision is required to meet the administrative and running expenses of the National Human Rights Commission. The second part, provisions have been made for the salaries of the Chairman of the NHRC and the two Deputy Chairperson, Human Rights Commission Division and National Preventive Mechanism; 6 Investigators; 2 Barristers including allowances, bonus and gratuity.

The Chairperson: The same page, hon. Ameer Meea!

Mr Ameer Meea: On the same page, the next item under *Staff costs*, Other *Operating Costs*, Rs7 m. May we have a breakdown of this figure?

The Prime Minister: Regarding provisions, personal emoluments, Rs11,948,000; salary to members of Commission, Rs3,311,000; other staff cost, including travelling, overtime, staff welfare, training mission and capacity building, Rs1,813,000; cost of utilities, Rs350,000; maintenance of vehicles, equipment and building, Rs678,000; rent, Rs2,900,000; miscellaneous, Rs3,600,000.

Mr Uteem: Madam Chairperson, on the same item, my question was to the fact that we used to have three Divisions of the National Human Rights Commission. All were staff. Now we have one Division less because you have this Independent Police Complaints Commission, which we voted and which has been set up, and there is Rs15 m. earmarked for that Commission. So, my question is: what would happen to all the staff, including the Vice-Chairperson of the Police Complaints Division of the Human Rights? Are they going to be still on establishment, still being paid or are they being transferred or their contracts simply terminated?

The Prime Minister: Well, I have been given a note. There is still national preventive mechanism to Human Rights Division.

Mr Baloomoody: Let me insist on that. We used to have three Divisions. Now we are going to have two Divisions and still we are budgeting the same number

of staff with an increase, following the PRB. So, we know that one Division will either go to the Commission or the Police Complaints Commission. But why is it that we are budgeting for three Divisions when, in fact, there are two? There will remain only two Divisions.

The Prime Minister: Well, when there will be only two Divisions, money will be left under this item. In this Budget, provision has been made for all the three Divisions. IPCC Act makes provision for the termination of the contract of Deputy Chairperson and members of the Police Complaints Commission.

Vote 1-14 National Human Rights Commission (Rs25,300,000) was, on question put, agreed to.

Vote 1-15 Office of the Ombudsperson for Children (Rs11,900,000) was called and agreed to.

Vote 1-16 Independent Police Complaints Commission was called.

The Chairperson: Hon. Baloomoody!

Mr Baloomoody: Page 45, with regard to the Independent Police Complaints Commission, Rs15 m. rupees is being allocated. May we know when that Commission will become operative and how many staff there will be?

The Prime Minister: It has not yet been constituted. How can I give all these information?

Vote 1-16 Independent Police Complaints Commission (Rs15,000,000) was, on question put, agreed to.

Vote 2-1 Prime Minister's Office was called.

Mr Mahomed: Madam Chairperson, on page 46, *Strategic Direction 2016-2019*, mention is made of a "National Advisory Council" that seeks to formulate and implement the Vision 2030 Blueprint, which was produced in September 2016. May I ask the Rt. hon. Prime Minister whether a report will be submitted now that it is one year down the road? Can we expect a report of that Council?

The Prime Minister: I suppose we can expect. Well, in September.

The Chairperson: Page 50.

Mr Ameer Meea: On page 50, *item 21110.001, Senior Chief Executive*. There are eight funded positions and it has remained unchanged, whereas in the Budget figures, it has increased from Rs8.8 m. to Rs14.5 m. So, approximately, about Rs6 m. May we know the reason for this substantial increase? Is it the PRB?

The Chairperson: Can we take another question in the meantime, so as not to lose time? Because the reply will come.

Mr Bhagwan: *Item 22120.017, Legal fees, Rs16 m.* So, can we have some details? Also, can the Rt. hon. Prime Minister give us the composition of IBA, whether the Director of the IBA has been appointed and how?

The Prime Minister: Well, payment of fees to external lawyers who are providing advice to Government on sovereignty matters: Rs15 m.; payment of fees to foreign lawyers for specific assignment: Rs1 m. The provision has been increased for payment of fees to external lawyers. The fees were previously paid from the vote of the Attorney General's Office.

Mr Bhagwan: May I know from the Rt. hon. Prime Minister whether Me Trilochun is in the list of external lawyers?

The Prime Minister: No, I don't think so. I have got the answer to the previous question. Chairperson is vacant.

Mr Baloomoody: The post of Chairperson is vacant because the Chairperson is now the Director. May we know what is the salary of the Director of IBA who was the previous Chairman appointed who appointed herself as Director subsequently?

The Prime Minister: Well, the Independent Broadcasting Authority, Mrs Washeelah Youshreen Choomka has been appointed Director of the IBA on a contract basis for a period of two years with effect from 25 March 2016. Basic salary: Rs144,000; Travelling: Rs13,981.50; Telephone: Rs3,250; Driver's allowance: Rs9,100. In all, it is Rs170,331.

Mr Ameer Meea: At page 51, but just a quick reminder, I am still awaiting for the answer on the Senior Chief Executive which has increased from Rs8.8 m. to Rs14.5 m. I am still waiting for this one. Coming back to page 51 for the legal fees, even if the Rt. hon. Prime Minister does not have the details, can he...

The Prime Minister: In fact, it is the PRB increase.

Mr Ameer Meea: Hon. Prime Minister it can't be! It can't be from Rs8.8 m. to Rs14 m.

The Prime Minister: Vacant posts, in plural. Vacant posts have been filled.

Mr Ameer Meea: There are 8 posts in 2016 and for 2017 also there are 8 posts. I am on page 51 with regard to item 22120.017 *legal fees*. Even if the Rt. hon. Prime Minister does not have the details, can he circulate it later? It is with regard to the Rs16 m. for the legal fees.

The Prime Minister: Yes.

Mr Quirin: Madam Chairperson, on the same page 51, item 31122 - *Acquisition of Fire Fighting Equipment* where a sum of Rs5.5 m. has been earmarked for 2016/2017. Can I get some details regarding this item, please?

The Prime Minister: Yes, to replace the old one which is partly out of service due to obsolete network cards.

Dr. Sorefan: Item 22900.959 – *expenses i.c.w. Africa/ Asia - Air Corridor Project*. May we know from the Rt. hon. Prime Minister whether this is a new project or it is a project which has already started?

The Prime Minister: Well, it is new.

Mr Uteem: On the same item, the fee expense in connection with the Africa/ Asia - Air Corridor Project there is Rs25 m. earmarked. So, may we have details, does that represent travelling expenses? Is that fees payable to consultants? What does this Rs25 m. relate to?

The Prime Minister: Well, it is meant for promotional campaigns in Africa and Asia.

The Chairperson: Page 52?

Mr Uteem: At the bottom of page 52, under item 22900.901 - *National Day Celebration*. Can the Rt. hon. Prime Minister table a list of service providers and the amount paid to them in connection with the National Day Celebration?

The Prime Minister: I will table in due course.

The Chairperson: Page 54! Hon. Mahomed!

Mr Mahomed: At page 54, under item 22130 - *Studies and Surveys*. According to this item the Prime Minister's Office is going to spend Rs5 m. on studies and surveys. May I know what it is for?

The Prime Minister: Provisions made for consultancy services for electoral system, including the new generator for the New Government Centre.

Mr Uteem: At page 54, under item 22900.928 - *Other Goods and Services* of which expenses relating to *Environment and Land Use Appeal Tribunal*. There is an increase from Rs4 m. to Rs19.7 m. exceptionally next year. So, may I know what does this Rs15 m. increase relate to?

The Prime Minister: In August 2015, a contract of Rs11,900,000 and a contingency sum of Rs450,000 was awarded for the partitioning and associated works to the Environment and Land Use Appeal Tribunal. The works which started late at the Tribunal was to be completed in 120 days. However, the works which have not been terminated have been brought in the next financial year whereby a sum of Rs12 m. has been earmarked.

Mr Baloomoody: On the same page 54 under item 22900.932 - *Human Rights Awareness*. We find that the amount has been more than doubled from Rs692,000 to Rs1.5 m. More so that we have a Human Rights Commission where we have been voting a lot for them to create awareness, why do we have to put that much money in the Prime Minister's Office for human rights awareness?

The Prime Minister: The increase in provision is due to –

- (i) study on revisiting the linguistic and ethnographic approach of Rodrigues Rs300,000, and
- (ii) additional amount provided for sensitisation on international humanitarian law for public officers and secondary school students Rs500,000.

Mr Quirin: At page 54, under item 26313.050 - *National Adoption Council* from Rs600,000 to Rs5 m. Can we know why such an increase?

The Prime Minister: Which page?

Mr Quirin: On page 54 item 26313.050 *National Adoption Council*, we find that the sum has gone up from Rs600,000 to Rs5 m.

The Prime Minister: Government has agreed to the introduction of new legislation to domesticate the provisions of the Hague Convention on the Protection of Children and Cooperation in respect of inter-country adoption. The National Adoption Council would accordingly be restructured into a central authority and staffed with professionals to enable it to meet its obligations under the Convention. Hence, the provision has been increased to meet the following expenditure –

- rental of office space: Rs2.5 m.;
- purchase of office equipment and furniture: Rs1 m.;
- utilities: Rs250,000;
- consultancy fees: Rs1 m., and
- other expenses: Rs250,000.

Mr Bhagwan: On page 54, under item 26313.020 *Gambling Regulatory Authority*, we are being asked to vote Rs28 m. compared to Rs24 m. Can we know the justifications of the increase? Can the Rt. hon. Prime Minister later on circulate how much exactly had been paid to those who came from the Commissioner of Enquiry on races for the first report and for the last report?

The Prime Minister: Provisions made for the running cost of the Gambling Regulatory Authority. The increase in provision is due to recruitment of the following additional staff –

- three Management Support Officers;
- one Accountant;
- four Licensing Inspectorate Officers;
- one Receptionist;
- one Driver, and
- purchase of office equipment and furniture for the additional staff.

Mr Uteem: On the last item, 31132.403 *Upgrading of Criminal Intelligence System*, the project is for Rs80 m. with the first disbursement of Rs13 m. as from next year. May I know from the Rt. hon. Prime Minister what does this Criminal Intelligence System relates to and whether the contract has already been awarded for the Rs80 m.?

The Prime Minister: It is provision for the purchase and maintenance of equipment for the Criminal Intelligence System and whether it has been awarded, I do not know.

Dr. Sorefan: Under item *31122.805 Acquisition of Security Equipment*, we have already spent Rs178 m. and we are earmarking Rs168 m. May we know what are those security equipment that we are going to buy?

The Prime Minister: Provision is made for the payment of the remaining balance regarding the purchase of security equipment for a total price of USD9,300,000 equivalent to around Rs344,100,000 from DNS Consultancy Services Ltd. The first payment of USD5,080,000 equivalent to Rs178,078,892 has already been made to the company upon receipt of part of the equipment in June 2016.

The Chairperson: I wish to draw the attention of the House that we have already exhausted the allotted amount of time, but I am giving two more questions up to page 57. Page 55! One last question on page 55!

Mr Bhagwan: On page 55, under item *31122.999 Other Machinery and Equipment (b) Security Division*. We are being asked to vote Rs8 m. compared to Rs920,000. Can we have some details on why this big increase?

The Prime Minister: The provision is for –

- (a) Defence and Home Affairs - acquisition of 20 heavy duty office equipment, photocopy machine, colour printer;
- (b) Security Division - acquisition of equipment for the Security Division, and
- (c) National Security Services - provision for the purchase of furniture and equipment.

The provision has been increased to purchase security equipment for the Security Division.

Mr Baloomoody: May I come back to the last item because it is quite a large sum of money, *31132.403*, the heading is *Intangible Fixed Assets*, so it cannot be equipment or plants and machinery. It is an upgrading of intelligence system from Rs57,000 to Rs13 m. May we know exactly what it is?

The Prime Minister: It is for upgrading of Criminal Intelligence System. It is provision for the purchase and maintenance of equipment for the Criminal Intelligence System.

Mr Ameer Meea: Madam Chairperson, on item *31122.805 Acquisition of Security Equipment*, there has been a sum of Rs178 m. which has already been disbursed and now a sum of Rs168 m. is being budgeted. Can I ask the Rt. hon. Prime Minister - if I can catch his attention - whether there has been any bidding procedure for this equipment and also may we have some details of this specific which is costing us some Rs350 m.? Is there any telephony system included in that?

The Chairperson: It is item No. *31122.805*.

The Prime Minister: I am being told that for security equipment, we can't divulge the details.

The Chairperson: Page 56! No questions! Page 57!

Mr Mahomed: I have a question on page 57 under item *21110.001 Strategic Policy and Planning*.

The Chairperson: We have already passed this page. I asked but there was no question. So, yes.

The Prime Minister: Page 57?

Mr Mahomed: 57, yes. On that whole department, is it a Unit or a Division? Because I have gone through the strategic note and nothing is mentioned about it. We are being called to vote a sum of Rs12.4 m. The Rt. hon. Prime Minister will recall that once upon a time, we used to have a Planning Ministry, but that was discarded when we had Programme Based Budgeting (PBB). Now that we have done away with Programme Based Budgeting, we do not have a Planning Ministry. Now, is this department going to shoulder that responsibility because in our budgetary framework, the World Bank has just drawn our attention that there is an absence of planning? Is that Department going to shoulder that responsibility?

The Prime Minister: The objectives of the SPPD are to spearhead and coordinate strategies and action plan to achieve Government objective to usher the country into a new era of sustained economic, social and environmental development. This is what you are asking for? To ensure that the policies of ministries are in line

with national goals and to provide relevant, timely and objective information on the implementation of Government policy. So it is meant to do that.

Mr Uteem: Under item *21110.001 Personal Emoluments Basic Salary*. We have just been informed during the course of the week that one of the two assessors has resigned because, apparently, she was not qualified for the post, Ms Y. May I know from the Rt. hon. Prime Minister what would happen whether any claim is being made for reimbursement of all the fees payable to her while she was unqualified for the job.

The Prime Minister: Well I must point out to the House that the previous one was in the same boat with same sort of qualifications and she was there for years. After she vacated, the new one was appointed and the law does not say that she must have five years standing at the Bar. What the law says is: she must have legal knowledge and have been in active work, occupation, and activities for a period of five years. This is what the law says. So, sometimes I have strong doubts whether she was really disqualified.

Mr Ameer Meea: At page 58, under item *21110.005 Extra Assistance*, there is an amount of 6.8 million which is budgeted, may we know what are these extras?

The Prime Minister: Salary to the Chairperson, bonus, refund of leave, contribution to National Savings Fund for Chairperson and three members of the Equal Opportunities Commission.

Mr Baloomoody: Under the same item, we found that the post of Secretary to that Commission has not been filled; may we know who is acting as Secretary of the Commission now?

The Prime Minister: One Deputy Permanent Secretary from the Prime Minister's office posted to Equal Opportunities Commission is performing the duties of Secretary, Equal Opportunities Commission.

Mr Mahomed: As regards item *21 Compensation to Employees*, we see from the table Information Officer. There used to be one and this year we are going to recruit six more meaning a 500% increase. Then for Information Support, we did not have any last year and this year we are going to recruit seven. So may I know from the hon. Prime Minister why a substantial increase in those two cadres?

The Prime Minister: The need must have been felt and it is good that we are providing jobs for people. You should be happy.

Mr Bhagwan: Under item 22100.005 *Public Notices*, we are being asked to vote Rs15.9 m. can the Prime Minister, at least, later on circulate the amount paid to the different newspapers during the past financial year?

The Prime Minister: I hope officers are taking note and they will circulate it.

Mr Baloomoody: Page 62 under item Capital Expenditure 31112.019 *Construction of the Forensic Science Laboratory at la Vigie*, can I know from the hon. Prime Minister whether this laboratory will be available for the defence? In a criminal case, can the defence have access to that laboratory if they want to challenge the findings of this laboratory?

The Prime Minister: We will have to decide on that. Well, apparently, the answer is yes. Okay the hon. Member is happy.

Mr Uteem: At page 63, under item 22030.001 - *Rental of Building*, the amount is being doubled from Rs2.1 m. to Rs4.2 m. So we just want to know where is the building and why is the increase?

The Prime Minister: Well, there has been an increase in the provision compared to the previous financial year to enable the Bureau to run additional office space to accommodate its staff. The actual office space is not enough to accommodate the staff conveniently.

Mr Baloomoody: At page 64, under item 22060 *Maintenance*, it has increased from 3,157,000 to 19,115,000. May we know which building we are talking about as we all know that most of the Civil Status Offices around the island are rented buildings.

The Prime Minister: The increase in provision under item maintenance of IT equipment is to cater for the payment of maintenance agreement for the Central Population Database as from 2016-17 which was previously being paid by the Ministry of Technology, Communication and Innovation.

Mr Ameer Meea: Page 64, under item 31112.401 *Non-Residential Buildings*, there is question of a setting up of a Marriage hall of Rs5 m. may we have the details of this Marriage hall?

The Prime Minister: Well, non-citizen marriages are also being celebrated at the Central Office of the Division, on the 7th Floor of the Emmanuel Anquetil Building, in line with Government vision of promoting Mauritius as a wedding and honeymoon destination. Provision has been made to set up a new and modern marriage hall at the ground floor of the Emmanuel Anquetil Building.

The Chairperson: Yes, hon. Uteem!

Mr Uteem: That's discrimination against local!

The Prime Minister: They won't have their honeymoon there!

(Interruptions)

Mr Uteem: Under Item 22900.009 - *Other Goods and Services - Digitalisation of Civil Status Records*, Rs10 m. is earmarked. May I know from the Rt. hon. Prime Minister whether the contract has been awarded and who has received the contract?

The Prime Minister: Yes. It's provision for uniform, payment of uniform allowances to eligible officers and expenses in connection with preparation of the *Digitalisation of Civil Status Records* project.

Mr Uteem: My question was in respect to that *Digitalisation of Civil Status Records*, whether we have already awarded the contract or not?

The Prime Minister: Well, I don't know whether the contract has been awarded.

The Chairperson: Can we take another question? Page 65.

The Prime Minister: The contract has not yet been awarded.

Mr Ameer Meea: Under item 28211.015 - *Muslim Family Council*, may we know the composition of this Council?

The Prime Minister: Which number please?

The Chairperson: 28211.

The Prime Minister: Page 64.

The Chairperson: Page 64, yes.

The Prime Minister: Regarding *Muslim Family Council*, provision of annual grant to Muslim Family Council established in 1990 under section 29 of the Civil Status Act to meet cost of administration and other expenses.

(Interruptions)

Well, I have no composition here.

The Chairperson: If the composition is long, you can circulate it. It's better to circulate if it's a long list. Page 66!

Mr Baloomoody: On page 66, item 25110 *Non-Financial Public Corporations*, I find a drastic shortage in the provision made for *Special Rodrigues Holiday Package, Subsidy on Airfare from Rodrigues, Subsidy on Passenger Service Charge*, nearly 50%, it's not more. May we know why?

(Interruptions)

There is a 50% decrease in all the allocations with regard to Special Rodrigues Holiday Package. May we know why?

The Chairperson: 25110.011 - *Special Rodrigues Holiday Package*.

The Prime Minister: It's provision for 6 months only.

The Chairperson: Hon. Osman Mahomed!

Mr Mahomed: My question pertains to item 28222.024 - *Social Housing Programme for Rodrigues* for which we are being requested to vote Rs50 m. Now, the note says - *A new Housing Programme will be implemented as from FY 2016/17 by RRA. Provisions have been made to start the programme under Vote of PMO*. Now, Prime Minister's Office does not construct houses. May we know whether it is going to be the National Housing Development Company or the National Empowerment Foundation that is going to be responsible for the construction of these houses?

The Chairperson: You can circulate later. Yes, hon. Ameer Meea!

Mr Ameer Meea: Yes, on page 66, item 26321.002 - *Water sector development projects in Rodrigues*. The project value was Rs75 m., Rs63 m. has already been expensed and Rs10 m. is budgeted for next year, are we talking of the Desalination Project in Rodrigues and, if so, how many plants have been successfully installed and are they working?

The Prime Minister: The project is for the construction of four desalination plants at Caverne Bouteille, Pointe Venus, Pointe Cotton and Baie Malgache. It is in progress.

Vote 2-1 Prime Minister's Office (Rs4,565,000,000) was, on question put, agreed to.

Vote 2-2 National Development Unit was called.

The Chairperson: Hon. Baloomoody!

Mr Baloomoody: On page 68, *Key Action – Renovate the existing Citizens Advice Bureau to improve facilities to the public*, can I ask the Rt. hon. Prime Minister why is it that elected Members of the Opposition are not allowed to use the CAB in order to educate and assist members of the public?

The Prime Minister: But it has always been meant to be used by the PPS. The day you'll become PPS, it will be accessible.

The Chairperson: Yes, hon. Osman Mahomed!

Mr Mahomed: Madam Chairperson, I had requested for page 67. I have a question on the *Strategic Note* itself. Now, the NDU is responsible to *establish a Land Drainage Authority that seeks to formulate, develop and implement appropriate strategies for efficient and effective flood mitigation measures using an integrated approach conforming to best international practices*. My question is as follows: why do we need to go and formulate and develop when we have so many reports at hand?

- (i) we have a comprehensive study that was done in 2003 by GIBB (Mauritius) Ltd.;
- (ii) then only three years ago ...

(Interruptions)

why do we need to...

(Interruptions)

Can I finish my question?

The Chairperson: Let the hon. Member finish his question then I will tell him if it is a policy issue, I won't allow the question.

Mr Mahomed: Okay! In 2012 the UNDP produced for the Republic of Mauritius a Comprehensive Inundation, Flooding and Landslide National Risk Profile Maps Strategy Frame and Action Plan. So, we have all these documents at hand, why do we need to start afresh?

The Chairperson: So, hon. Osman Mahomed, both your questions are policy issues. We are looking at the Budget now itemwise so, this question is out of order. Page 69, no question? Page 70, yes?

Mr Ameer Meea: On page 70 item 22030 – *Rent* may I know why there has been a sudden increase from Rs11 m. to Rs25 m. for the rent? Is it the new and comfortable offices of the PPS that we are paying Rs25 m. and there has been an increase of more than 100%...

(Interruptions)

The Prime Minister: It is increase of office space from 24,000 ft.² to 31,200 ft.² to cater for additional staff, new rate of Rs51 per square foot per month includes service charges, fit outs and 15 parking lots.

(Interruptions)

Mr Quirin: Item 31113.006 - *Construction & Upgrading of Sports Facilities* an amount of Rs78 m. has been earmarked, can we have some details, please?

(Interruptions)

Page 71, item 31113 - *Construction & Upgrading of Sports Facilities* Rs78 m. has been earmarked.

(Interruptions)

The Prime Minister: Here I have provision required for the payment to contractors for ongoing and new construction of sports facilities undertaken by the NDU. I will circulate a list.

(Interruptions)

Mr Bhagwan: 31113.022 - *Construction & Upgrading of Cremation Grounds/Cemeteries.*

(Interruptions)

The trend in Mauritius now is to go to incinerator although we use the old type of burning. Can the Rt. hon. Prime Minister inform the House whether within this vote provision has been made for the construction of incinerators?

The Prime Minister: Provision for payment to contractors for construction of new cremation grounds, cemeteries undertaken in previous years.

(Interruptions)

Mr Uteem: Under item 31113 - *Other Structures*, may I ask the Rt. hon. Prime Minister if he can circulate a list of all the projects which will be carried out in the forthcoming year for each constituency instead of each one asking under each item where are we going to do it. So, could he circulate the list per constituency?

The Prime Minister: I hope officers will take note and do the needful.

(Interruptions)

Mr Rughoobur: Under item 31112.022 - *Construction of Market Fairs* last year there was a provision of Rs80 m. for the construction of a market fair at Goodlands. I just want to have confirmation from the Rt. hon. Prime Minister if the funds are still there.

The Prime Minister: All the information is in the document I have just filed.

Mr Bhagwan: On page 71 item 31113.018 - *Road Safety Devices* Rs2.9 m. Can we know where these devices are to be installed and whether there is coordination with the Ministry of Public Infrastructure and Land Transport, whether it is traffic lights?

The Prime Minister: Provision made for installation of road safety devices such as hand railing to be undertaken by the National Development Unit. Hand rails.

Mr Mahomed: Item 27210 - *Social Assistance Benefits in Cash* for which we are going to disburse Rs20 m. starting from this year, there was not before. May I know from the Rt. hon. Prime Minister what is it about?

(Interruptions)

Vote 2-2 National Development Unit (Rs952,000,000) was, on question put, agreed to.

Vote 2-3 Police Service was called.

Mr Baloomoody: On page 75 we find that the post of Woman Deputy Commissioner of Police has not been filled last year and no provision has been made for that post. Don't we have somebody qualified at the Police Force to be a Woman Deputy Commissioner of Police?

The Prime Minister: There is no eligible candidate.

Mr Baloomoody: If there is no eligible candidate for Woman Deputy Commissioner of Police I hope that there is eligible candidate for Woman Police Deputy Assistant Superintendent, this is much lower and no provision was made for last Budget and even in this Budget, even for the Deputy Assistant Superintendent of Police. So, are the women in the Police Force not being promoted?

The Prime Minister: I suppose it is the same answer, no eligible candidate. The post of Woman Police Deputy Assistant Superintendent, number of established posts 1. One new grade of Women Police Deputy Assistant Superintendent has been created in financial year 2016/2017. The Scheme of Service is in process of being prescribed and the vacancy will be filled as soon as possible.

Mr Baloomoody: May we know what about the Deputy Band Master for music? No provision has been made for a Deputy Band Master. May we know where matters stand?

The Prime Minister: Maybe the answer must be same to the one I have given.

Mr Ameer Meea: On page 77, *item 22030.007, Rental of Lines for CCTV and other Security Network Systems*. There is more or less every year an amount of Rs68 m. which is budgeted and spent. May we have some details to which company these lines are being rented and paid?

The Prime Minister: Rental of Lines for CCTV and other Security Network Systems is from Mauritius Telecom, MCML, CEB, in connection with CCTV Closed Circuit Television and Digital Radio Communication System.

Mr Baloomoody: On the same page, *item 22060.004, Vehicles and Motorcycles*. May we know whether the sum of Rs20 m. is for in-house maintenance

or contracted out, and if it is contracted out, may we know who are the beneficiaries of these contracts?

The Prime Minister: Since 2008, Police Mechanical Workshop has been closed down. Vehicles are maintained by respective local agents.

Mr Baloomoody: May we know how these local agents are selected?

The Prime Minister: How are they? They are in good health!

(Interruptions)

There is quite a number.

Mr Uteem: Just one line down, *Maintenance of IT Equipment*, a similar question. Who carried out the maintenance? Is that done by the National Computer Board or is that contracted out? Because we are talking about police equipment, very sensitive Police equipment. So, May I know from the Rt. hon. Prime Minister who is responsible for maintaining the IT system of the Police?

The Prime Minister: I do not know who carried out. Let me get the information.

Mr Ameer Meea: On page 77, *item 22900.001, Uniforms*. There is an amount of Rs8 m. which has already been spent and Rs30 m. budgeted for three years, that is, in total Rs90 m. May we know whether there has been any tender procedure for the acquisition of the uniforms? If I may be allowed, on the next item, *Passports*, just two lines below. There is an amount of Rs17 m. for passports, which has already been incurred, and almost an amount of Rs25 m. each year for the next three years. May we know why we spend so much money for the Passport Office every year? Do we have a plan to change the Mauritian passport?

The Prime Minister: For uniforms, tenders have already been launched. So far as passport is concerned, there is no change. We do not intend to change.

(Interruptions)

The Chairperson: No cross-talking, please!

Dr. Joomaye: Madam Chairperson, under *items 22140, Medical Supplies, Drugs and Equipment* and *22150, Scientific and Laboratory Equipment and Supplies*, may I know who is the supplier and has there been any tender for the supply?

The Prime Minister: I will table the information.

Mr Baloomoody: Madam Chairperson, may I come back to the item passport? If I come back, it is because we see under *Capital Expenditure*, on next page, *Acquisition of Non-Financial Assets*, we are supposed to have a project for the *Upgrading of Passport Personalisation system* to the tune of Rs108 m. We used to allocate Rs17 m. and now it is Rs24 m, when, in fact, we know that this passport is not given free. Each and every holder of a passport has to buy his passport. So, what is the Rs25 m. for?

The Prime Minister: With a view to enhancing security at our borders and in line with international requirements of the international Civil Aviation Globalisation, it was decided to introduce the use of biometric identification passports. The project was subsequently postponed in view of the reactions following the implementation of the biometric Mauritius National Identity Card.

Mr Jhuboo: Madam Chairperson, under *item 21210, Social Contributions*, there is an increase of Rs10 m., from Rs28 m. to Rs38 m.

(Interruptions)

The Chairperson: It is page 79. Hon. Member, you have to be quick! I have asked page 78, but you did not reply.

(Interruptions)

I did ask. You have to be more careful and listen to what I am saying. I have asked page 78 and you said no.

(Interruptions)

But you did not come up with your questions! We are going ahead with the questions. Page 79! Yes! Hon. Jhuboo!

Mr Jhuboo: Thank you, Madam Chairperson. Concerning *item 21210, Social Contributions*, there is an increase of Rs10 m., from Rs28 m. to Rs38 m. Can we have the details of that provision, please?

The Prime Minister: The increase in provision is due to the revised rate of contribution from Rs393 to Rs416 per month and recruitment of additional staff.

Mr Baloomoody: On the same page, *item 22030, Rent*. We find that there is an increase of more than 100% with regard to rent, from Rs8 m. to Rs17 m. May we know for what purpose?

The Prime Minister: Item 22030 - *Rent!* Rental of building! Payment of rent for premises occupied by the Police Department at Bain des Dames, Camp Diable, Trou d'Eau Douce, Vallée Pitot, Pamplémousses, Cent Gaulette, l'Escalier, Trou Fanfaron, Pope Hennessy, Petit Gabriel and Grande Montagne. Increase is due to rental of lines for Crime Occurrence tracking System for Eastern and Central Divisions, Southern Division, Northern and Port Louis Divisions.

The Chairperson: Hon. Ameer Meea!

Mr Ameer Meea: On page 79, last item, 220260.004 - *Maintenance, Vehicles and Motorcycles*. It is more or less the same figure every year, that is, Rs56 m. which seems to be a huge amount. May we have the details of breakdown and to whom this fee is being paid?

The Prime Minister: In fact, the provision is required for the maintenance and repairs of 443 motor vehicles and 223 motorcycles and for Police patrols' operations and interventions.

The Chairperson: Page 80!

Mr Uteem: Under Capital Expenditure, at page 80, item 31112.012, (i) *Construction of Vallée Pitot Police Station*. There is an amount earmarked of Rs20 m. for Vallée Pitot and then nothing has been planned for next year. May I know from the Rt. hon. Prime Minister whether the site has already been identified for the construction of Vallée Pitot Police Station and the cost of acquisition of that site?

The Prime Minister: The site has been identified. It will be State land at no cost.

Mr Ameer Meea: On the same item, Construction of Police Stations, mention is made for Trou Fanfaron Police Station, Rs23 m. We know that the old Trou Fanfaron building is a historic building and also it is found in the Aapravasi Ghat *tampon* zone. Presently, as the Police station is being a rented one, may we know for this Rs23 m., where the new Station will be situated? Will it be the old one which will be renovated, refurbished or it will be another one at another place?

The Prime Minister: Well, for Trou Fanfaron, land issue is still pending.

(Interruptions)

Mr Baloomoody: On the same page item 31122 - *Other Machinery and Equipment, Upgrading of CCTV*. We have learnt in this House on many occasions that most of the CCTVs are not working or are not in good condition, and yet, no provision is made for their maintenance. No provision was made last year and no provision is made for the maintenance. Also, no provision is made for new acquisition of new CCTVs.

The Prime Minister: The whole CCTV project is being reviewed with implementation of Safe City project.

Mr Jhuboo: Madam Chairperson, on the same item 31112, *Non- Residential Buildings, Construction of Police Stations*. Now, we can see that for most of the Police Stations, the cost varies between Rs12 m. and Rs35 m., except for the one in Moka Police Station which is almost Rs85 m.. May we know why?

The Prime Minister: I suppose because Moka will be the Headquarters. It is a big one.

Mr Uteem: Madam Chairperson, under item 22120 – *Fees*. For last year, it was Rs35,000; now, we are budgeting Rs2 m.. Does that relate to legal fees or what fees are we talking about here?

The Prime Minister: It is provision for payment of fees to the University of Mauritius and the Mauritius Institute of Training and Development for the training of Police officers. The increase in provision is for the training course of 2015/16. Provision is made for same in 2016/17.

The Chairperson: Page 81! Hon. Fowdar!

Mr Fowdar: Madam Chairperson, on page 81, under item 21110.002 - *Salary Compensation*. Can I know whether the suspended Police officers are paid salary compensation?

The Prime Minister: I suppose so.

(Interruptions)

Mr Bhagwan: On page 81, Madam Chairperson, item *22060.004 Vehicles and Motorcycles*.

The Prime Minister: Sorry! With regard to the previous answer, hon. Fowdar, the answer is no; I thought otherwise.

Mr Bhagwan: Purchase of motorcycles, road safety, item *22060.004*, Rs15 m.. Can I know from the Rt. hon. Prime Minister whether he has obtained information from the Police as to whether the low saddle motorcycle, which is a danger by itself for the traffic police officers, will be replaced by a new modern type, as promised by the hon. Deputy Prime Minister?

(Interruptions)

The Chairperson: Don't interrupt, please!

The Prime Minister: The answer is: no saddle will be done away with.

(Interruptions)

The Chairperson: Hon. Dr. Joomaye!

Dr. Joomaye: Under item *22120 Fees*, there is provision for Rs1 m. May I know what does that correspond to?

The Chairperson: Page 82. Page 83. Yes, hon. Uteem!

Mr Uteem: Page 83, at the bottom of the page, item *31121.801 Transport Equipment – Acquisition of Vehicles*, the sum has gone up from Rs1.8 m. to Rs6.5 m. May I know from the Rt. hon. Prime Minister what type of vehicles and how many vehicles are we acquiring?

The Prime Minister: Provision for the purchase of vehicles is as follows -

- Two four-wheel drive vehicles, tout-terrain;
- Three 4x4 heavy duty vehicles;
- Three motorcycles at 125 CC, and
- One van, liteace type with one folder.

The Chairperson: Page 84. Yes, hon. Fowdar!

Mr Fowdar: Madam Chairperson, under the last item *21210 Social Contributions*, there is a substantial increase from Rs5 m. to nearly Rs9 m. Can the difference be explained as to why?

The Chairperson: *21210 Social Contributions.*

The Prime Minister: Provision is made for Government contribution to the National Solidarity Fund for employees paid under the programme, rates of contribution is 2.5 - I suppose per cent – of monthly salary up to a maximum ceiling of Rs416 per month per employee.

The Chairperson: On page 85, under item *22900.005 Provisions and Stores*, every year there is an amount of Rs45 m. which is budgeted. May we know the details of these provisions and stores?

The Prime Minister: Provision for the purchase of trousers, shirts, shoes, caps, belts and cost of stitching. Provisions and stores, supply of foodstuffs for special Mobile Force staff, increase is due to enlistment of new Police Constables in July 2016.

The Chairperson: Hon. Uteem!

Mr Uteem: Madam Chairperson, under item *31121.801 Transport Equipment - Acquisition of Vehicles*, there are *12 Light Armoured Personnel Carriers*. There is half a billion rupees earmarked as a project. So, may I know from the Rt. hon. Prime Minister whether the tender procedures have already been launched for the acquisition of these light armoured vehicles?

The Prime Minister: The contract has already been awarded. Contract Agreement and technical specification between the Government of Mauritius and BML Ltd., Government of India undertaking under the Ministry of Defence has been forwarded to the State Law Office.

The Chairperson: Hon. Jhuboo!

Mr Jhuboo: Item *31122.805* concerning the *Acquisition of Security Equipment* there is a provision of Rs27 m. for 2016 as opposed to Rs9 m. for 2015. Can we have the details of that provision, please?

The Prime Minister: Provision for acquisition of –

- (a) Communication equipment and acquisition of additional radio for GIPM and Explosive Handling Unit;
- (b) Alarm surveillance equipment for CCTV. Provision is made for the acquisition of 200 rifles RM16. Contract already awarded to Unionlet Ltd., UK. Supplier is waiting for export licence from USA and UK and this is causing delay in delivery.

The Chairperson: Hon. Baloomoody!

Mr Baloomoody: Under item *31111.401 Upgrading of Quarters & Barracks*, I find that there is an increase, that's welcoming. May we know which quarters we are talking about? Is it the one in Bel Village?

The Prime Minister: Provision for upgrading of Barracks.

Mr Baloomoody: And quarters, for the dwelling.

The Prime Minister: Provision is for upgrading of Barracks, roofing of Barracks, upgrading of residential blocks, upgrading of SMF, Rodrigues Complex and SMF Quarters.

The Chairperson: Hon. Fowdar!

Mr Fowdar: Item *31112.036 Non-Residential Buildings - Construction of SMF Buildings*, it moves from Rs1.7 to Rs7 m. Can we know why there is such a substantial amount and which building we are talking about?

The Prime Minister: It's the building of the Headquarters, SMF.

The Chairperson: Page 86. Page 87. Hon. Baloomoody!

Mr Baloomoody: On this page again, item *31122.805 Acquisition of Security Equipment*. May we have some details about what security equipment we are talking about for the public order policy?

The Prime Minister: Provision for purchase of equipment, *maintien d'ordre*, pelvic protection and gloves, arm, riot protection, sleeves, bullet-resistant and protective vest, other security equipment, provision for acquisition of other machinery and equipment.

The Chairperson: Hon. Uteem!

Mr Uteem: May I have confirmation from the Rt. hon. Prime Minister on item *31121 Light Armoured Personnel Carriers*. Is this also under the GtoG Agreement with the Government of India?

The Prime Minister: The answer is yes.

Mr Ameer Meea: Page 87, item *21110.005 - Extra Assistance* there is an amount of Rs35 m. almost every year, so may we have some detail of this extra assistance?

The Prime Minister: Payment of allowances to 13 Indian expatriates, 2 Commanders, 2 Deputy Commanders, 7 National Commanders, 1 Wing Commander and 1 Group Captain.

Mr Bhagwan: Page 88, under item *31121.804 - Acquisition of Aircraft*, it is spread over three financial years, can we know which type of aircraft Government is purchasing for the Police Department and from which country?

The Prime Minister: It is the Dornier aircraft.

Mr Fowdar: Item *22060.009 - Maintenance Aircrafts*, the expenditure moves from Rs46 m. to Rs90 m. May we know why?

The Prime Minister: Increase in provision for maintenance costs and spare parts for ships and outdoor motors and dry docking. Aircrafts: provision for maintenance cost and spare parts for aircrafts and increase of maintenance agreement costs with Air Mauritius.

Mr Ameer Meea: Page 88 item *31121.803 - Acquisition of Patrol Vessels (a) Offshore Patrol Vessel* Rs2,225,800,000, I believe it is the Barracuda Patrol Vessel. Recently, there has been a breakdown in the ship. May we know whether the repairs are still under warranty with the Government of India because I can see that, in the year after, there is an amount of Rs41 m. which is budgeted in regard to this vessel?

The Prime Minister: Insofar as Barracuda is concerned, the repairs were met by the company which built the ship because it was still under warranty.

Mr Uteem: Under item *22060.008 - Maintenance, Ships* may I know from the Rt. hon. Prime Minister how many ships are concerned with the maintenance and who is the service provider who has been awarded the contract for maintenance of the ships?

The Prime Minister: How many ships do we have? They are all maintained - fleet of NCG seagoing vessels: 5 ships.

Mr Baloomoody: Under item 31121.803 (b) *Fast Attack Interceptor Boats* I find that the project value was Rs282 m.; last year we provided for Rs129 m. and for this year there is no provision for that project. May I know where matters stand?

The Prime Minister: All boats have been delivered that is why there is no further provision.

Dr. Joomaye: Under the same item 31121.803 (c) *Acquisition of Waterjet Fast Attack Crafts*. May we know from which country these vessels will be acquired?

(Interruptions)

The Prime Minister: Already delivered from India.

Mr Ameer Meea: Under the same item, how many vessels have been purchased because Rs1.6 billion is the total value project, Rs420 m. has already been spent and more or less the same is being budgeted down the years? So, how many vessels are we talking about?

The Prime Minister: Well two.

The Chairperson: Okay, page 89?

Vote 2-3 Police Service (Rs8,717,000,000) was on question put, agreed to.

The Chairperson: I suspend the sitting for half an hour.

At 4.51 p.m., the sitting was suspended.

On resuming at 5.37 p.m. with Madam Speaker in the Chair.

Vote 2-4 Government Printing was called

Mr Baloomoody: On page 90, the *Strategic Note* with regard to Government Printing, we found that the main objective for 2016 will be the *Printing of School Textbooks*. May we know for which standard because next year we are going to the Nine-Year Schooling? Will it be for Standards I to IX?

The Prime Minister: It will be for Standards I, II, III and V.

Mr Mahomed: On the same item *Printing of School Textbooks*, one of the key actions for this year will be to maintain the time for printing to 11 weeks. Now, may I

ask the Rt. hon. Prime Minister what are the key actions being taken because this year up until the second term, we still had a lot of delays, meaning much more than 11 weeks?

The Prime Minister: All arrangements are in place for no delay.

Mr Baloomoody: Can I ask the Rt. hon. Prime Minister whether we have a Government Printer and a Deputy Government Printer in post because there was none? Provision has been made; can we know whether we have one in post?

The Prime Minister: The post of Government Printer is vacant and the actingship is ensured by the Deputy with effect from 16 May 2014. The post will be filled in due course.

Mr Baloomoody: We know that we do not have a Government Printer and a Deputy Government Printer. What about the Assistant Printing Officer? The post has remained vacant and no provision is made for that post. Are we abandoning that post?

The Prime Minister: The Scheme is being reviewed following the PRB report.

Mr Uteem: Madam Chairperson, under item *31112 Non-Residential Buildings, Construction of a New Building*, the project amount is Rs412 m. May I know from the Rt. hon. Prime Minister whether the site has been identified and whether procurement has been launched for the construction of that new building?

The Prime Minister: I can read here, it is for the construction of a new building at La Tour Koenig to replace the existing building. I suppose the site must have been identified.

Dr. Joomaye: Madam Chairperson, under item *31122.813 - Acquisition of Printing Equipment*, there is a sum of Rs15 m. May we know if acquisition of 3D printing equipment is scheduled for this year?

The Prime Minister: The answer is no.

Mr Mahomed: On page 93, *Construction of New Building*. Since we are going to construct on the same site and the printing department is a huge department where is a lot of equipment, whilst the construction is going on, where are the

operations going to take place and if they need to shift, whether there is any cost associated with that movement?

The Prime Minister: Not on the same site, the site is adjacent.

Mr Uteem: On the same item, the Rt. hon. Prime Minister did not reply to my question as to whether tenders have already been launched for the construction?

The Prime Minister: Request for proposal will be launched for consultancy and design. The deadline for launching is end of August 2016.

Vote 2-4 Government Printing (Rs159,400,000) was, on question put, agreed to.

Vote 2-5 Meteorological Services was called.

Mr Bhagwan: On page 96, item Director of Meteorological Services, can the Rt. hon. Prime Minister give us the latest concerning the construction of radar for Early Warning System?

The Prime Minister: Construction works will start during first week of September 2016 and the project will be completed by July 2018.

Vote 2-5 Meteorological Services (Rs400,800,000) was, on question put, agreed to.

Vote 2-6 Prison Service was called.

Mr Baloomoody: On the Strategic Note, can I ask the Rt. hon. Prime Minister about the operationalisation of an Open Prison for Women which can accommodate up to 20 women detainees, are we talking about the Barkly Women Prison which has not been operational for quite a long time due to lack of personnel?

The Prime Minister: Yes, Barkly Women Prison.

Mr Baloomoody: Can I ask the Rt. hon. Prime Minister about - on the same page it is said: "An Internal Inspectorate Mechanism set up to inspect prison institutions and actively address complaints from detainees" – the composition of this Internal Inspectorate Mechanism? How does it work and how many complaints there have been from detainees in the last financial year?

The Prime Minister: With the assistance of the UNODC, a Prison Inspectorate Mechanism was established for Mauritius Prison Service in 2014. A

dedicated team has been trained by a UNODC consultant and has been involved in the inspection of the prisons. The objectives of the inspection are to ensure that the different prisons are observing the provisions of the various human rights instruments and the prisons are safe places for the prisoners and the staff, and also that a conducive environment for rehabilitation is in place and to help achieve the required best correctional standards and practices.

Mr Baloomoody: On the same page, the Key Performance Indicator, I think the Prison Service intends to sign MoUs with NGOs, at least two NGOs. May we know which are the two NGOs which are being targeted?

The Prime Minister: Rotary Club of Port Louis, Terre de Paix, religious bodies, Jumma Mosque, Evêque de Port-Louis, Sanatan Dharma Temple Federations...

(Interruptions)

.....Mauritius Tamil Temples Federation, Prison Fellowship International.

Mr Baloomoody: The answer is quite confusing. These are religious institutions. They are not NGOs. It is written at page 99, Key Performance Indicator, the number of MoU signed with Non-Governmental Organisations is 2. May we know in what specific domain these two NGOs operate?

The Prime Minister: I suppose the Rotary Club is an NGO. Terre de Paix is an NGO. Prison Fellowship International is an NGO and then there is also the *Groupe Elan* and *Ki Ou Lé*.

(Interruptions)

The Chairperson: Pages 100-102, no question.

Mr Bhagwan: Item 28211.008 *Discharged Persons' Aid Committee*, can we know the members of that committee?

The Prime Minister: Discharged Persons' Aid Committee was last constituted in 2003 and its present composition is as hereunder -

Mr Manrakhan, PDSM	- Chairman
Mr Ramphul, OBE	- Member
Ms Seetohul (Employee of CEB)	- Member

Mr Cheekowry - Member

Mr Maudarbocus (Chief Employment Officer) - Member

Mr M. N. Bundhoo (Principal Probation Officer) - Secretary

Mr Uteem: Madam Chairperson, under item 22060 – *Maintenance of Plant and Equipment*, from Rs8 m. as from next year it will be Rs25 m. May I know from the Rt. hon. Prime Minister why is there such an increase in maintenance from Rs8 m. to Rs25 m.?

The Prime Minister: It is a long answer.

The Chairperson: You can circulate it if it is long!

The Prime Minister: I will circulate it.

Mr Baloomoody: With regard to Acquisition of Non-Financial Assets, the Open Prison Facility for Women, the project value is Rs22 m., Rs9 m. has already been spent and Rs2 m. has been forecast. May we know where matters stand with regard to that project? Where will that prison be situated and can we report progress as regards the construction?

The Prime Minister: Project completed at Barkly.

The Chairperson: Hon. Rughoobur!

Mr Rughoobur: Item 31112.011 (a), *New Prison at Melrose*. I see that there is an amount of Rs13,200,000 still left to be paid during the current financial year. May I know from the Rt. hon. Prime Minister what has been the total amount of variation for this project of Rs2,195 billion, and whether the variations were approved and all procedures followed?

The Prime Minister: I presume yes. There were variations and all procedures were followed.

The Chairperson: Hon. Bhagwan!

Mr Bhagwan: Item 31112.411, *Upgrading of Prisons, (a) Beau Bassin Prison*. Can we know from the Rt. hon. Prime Minister, through the Prison Officers, the problem of sewerage which is a constant hazard to the inhabitants of Barkly and whether funds have been provided in the Budget for Beau Bassin Prison to upgrade the whole sewerage network?

The Prime Minister: No fund is here. You will have to wait.

The Chairperson: Can we take the next question from hon. Ameer Meea? And then, you can have the reply in the meantime.

Mr Ameer Meea: Page 103, *item 31122.805, Purchase of Security Equipment*. The project value is Rs16 m. Can I ask the Rt. hon. Minister whether any phone jammer has been purchased or whether it will be purchased?

The Prime Minister: For the acquisition of cell phone and hand metal detectors, leg chains, riot helmets and seals, mobile jammers, bullet proof jackets, among others. Well, I suppose they will be purchased.

Mr Baloomoody: On the same matter that my learned colleague just asked for purchase of security equipment, the next item, *31122.999, Purchase of Other Machinery and Equipment*. May we know which equipment and machinery we are talking about?

The Prime Minister: For the purchase of tools and equipment that are required by the different workshops of the Work and Industries Division. A heavy duty, laundry equipment for the Correctional Youth Centre Girls.

Vote 2-6 Prison Service (Rs805,500,000) was, on question put, agreed to.

Vote 3-1 Deputy Prime Minister's Office & Ministry of Tourism and External Communications was called.

The Chairperson: Hon. Uteem!

Mr Uteem: Page 105, under *Key Action – Maintain Mauritius as a prime holiday and up-market destination through organisation of fairs/road shows/exhibitions/workshops*. May I know from the hon. Deputy Prime Minister whether the policy is still to have Mauritius as a prime holiday destination in view of the opening up of our air traffic?

The Deputy Prime Minister: Yes, very much so, Madam Chairperson. As the hon. Member may know, we actually stopped the opening of hotels for some time to allow prices to increase and quality in the hotels to be upgraded through the renovation, etc., of existing hotels.

The Chairperson: Yes, page 105.

Mr Baloomoody: It is written here that the Port Master Plan has been submitted by the consultant. May we know who are the consultants and when the Port Master Plan has been submitted?

The Chairperson: Can we have next question?

Mr Uteem: *Item 21110.001, appointment of Director of Tourism.* This is a new position. May I know from the Deputy Prime Minister whether the Director of Tourism has been appointed and what will be its role?

The Deputy Prime Minister: Madam Chairperson, the consultants for the Port Master Plan are a firm called Royal Haskoning of Netherlands. As far as the Director of Tourism is concerned, it used to be called the Secretary for Tourism. Now the post has been retitled Director for Tourism in PRB 2016. The scheme of service is being amended to reflect the duties, which will be advertised through PSC. It's not yet done.

Mr Bhagwan: Page 108, Madam Chairperson, *item 26313.089, Tourism Authority.* Can I know from the Deputy Prime Minister whether there are still casual workers working for some time, whether they all have been confirmed, and whether funds have been provided?

The Deputy Prime Minister: Yes, they are still casual. I think they should be confirmed, Madam. They are still contract workers. They have been there for a long time, and personally, I think they ought to be confirmed.

Mr Fowdar: *Item 26210, Contribution to International Organisations.* Can we know which organisation they are? The budget has been reduced to Rs2.5 m.

The Deputy Prime Minister: In fact, the question came up in Parliament. We are no longer contributing to RETOSA. In fact, even the World Tourism Organisation will no longer stay there either, because it is costing a lot of money and we are not getting the results that we wanted from these organisations.

Mr Ameer Meea: Page 108, *item 22900.949, Leisure Activities.* It seems to be a new item. There is an amount of Rs4.1 m. which is budgeted. May we have the details, a breakdown of this figure?

The Deputy Prime Minister: Madam, it is not a new item. It was everywhere before and now there is a new styling.

Rental of vehicles:	Rs 200,000
Rental of facilities for events:	Rs1.3 m.
New service:	Rs 50,000
Public Notices:	Rs 50,000
Catering:	Rs 325,000

Rental of Vehicles Rs200,000; Rental Facilities: Rs1.3 m.; News Service: Rs50,000; Public Notices: Rs50,000; Catering: Rs425,000; Medals, Prizes and Rewards: Rs175,000; Concerts & Artistic Events: Rs2 m.

Mr Jhuboo: At page 108, under item 26313.089 - *Tourism Authority (c) Tourism Sites Cleaning and Embellishment Programme*. Can we have some details on that provision, please?

The Deputy Prime Minister: I can circulate the information.

Mr Uteem: At page 108, under item 26313.047 – *Mauritius Tourism Promotion Authority (MTPA), (b) Promotion and Destination Support (iii) Air Corridor Africa-Asia (Africa Segment)*. We have just voted a sum under the Prime Minister’s Office, so may we know from the hon. Deputy Prime Minister why we are voting another sum under the MTPA?

The Deputy Prime Minister: It is a collaborative effort. We have the Tourism, the Prime Minister’s Office, the BOI, all are collaborating to increase traffic between Africa through Mauritius to Asia and so there is some amount here for a stipend also in that collaborative effort.

Mr Bhagwan: Under the same item 16313.047 – *MTPA (a) Operating Costs*. May we know from the hon. Deputy Prime Minister if we can be provided with the list of all the representatives of the MTPA outside Mauritius and how they have been appointed? Under which criteria and how much they are paid?

The Deputy Prime Minister: The hon. Member can rest assured, they are all appointed through tender, but I’ll circulate the list.

Mr Fowdar: Under item 26313.047 (ii) *Emerging Markets*. Can we know what markets have been identified, which countries they are?

The Deputy Prime Minister: They are India, China, and Middle East; In fact, the whole of Africa. But you can have South Korea also and even Japan. In fact, new markets are emerging all the time.

Mr Mahomed: At page 108, under item 26313.089 – (b) *Green Hotels and Eco-Tourism*. Before there was a provision of Rs10 m. and now for the next three years there is no more. May we know why?

The Deputy Prime Minister: The money was already in the hands of the Tourism Authority. This is why the budget has fallen, in fact. It seems that it has fallen because we got advance payment. The money is there; we have Rs22 m. in an account and it will be spent on that project.

Mr Uteem: At page 108, under the last item 16313.089 (c) *Tourism Sites Cleaning and Embellishment Programme*. Can the hon. Deputy Prime Minister table a list of all the sites that have been earmarked for cleaning and embellishment and also the name of the contractors who have been awarded the contract to carry out the embellishment project?

The Deputy Prime Minister: This is done, I think, in-house. This is not done by contractors. The question was already asked. I said I would procure the list of what has been done. Or what is to be done, this depends on other things.

Mr Bhagwan: At page 108, under item 22900.099 – *Implementation of Blue Flag Programme*. What about it?

The Deputy Prime Minister: It is in Albion or it is coming up?

The Chairperson: Page 109!

Mr Bhagwan: Page 109, under item 31113.431 – *Zoning of Lagoons*. Has the site been identified? Can we have some details, please?

The Deputy Prime Minister: Zoning of lagoons are done all the time; now we have zone lagoons where there are diving sites, zone lagoons where we have swimming areas, zone lagoons at Mont Choisy for boats; Pereybere also and coming up now at Flic-à-Flac.

Mr Bhagwan: At page 109, under item 3113.016 – *Construction of Touristic and Leisure Infrastructure - Tourism Signage*. Can we know from the hon. Deputy Prime Minister whether a survey has been done concerning the signage already fixed

and those which are missing, and whether there are new types of signage which are being installed following a recent survey, because there are new places, especially inside Mauritius?

The Deputy Prime Minister: We should have a new signage project. However, the signage products were expensive, but they lasted well. We have Rs1 m. in our budget to maintain and revamp them.

Mr Uteem: At page 109, under item 31113.416 – *upgrading of Touristic and Leisure Infrastructure*. It is a Rs25 m. project; Rs5 m. is earmarked as from next year. So, may we have a list of what touristic and leisure infrastructure are being upgraded?

The Deputy Prime Minister: We have not really succeeded in getting the Citadelle waterproof. So, we still have work to do there; basically, the strategies. It is Rs5 m. anyway, not Rs25 m.

Vote 3-1 Tourism (Rs727,000,000) was, on question put, agreed to.

Vote 3-2 External Communications was called.

The Chairperson: Hon. Baloomoody!

Mr Baloomoody: Which page are we?

The Chairperson: We are at page 110.

Mr Baloomoody: I will come to page 111 then.

The Chairperson: Hon. Ameer Meea! Page 110! No question? Page 111?

Mr Baloomoody: Under Item 2210.008 – *Fees to Consultants*. I see that an amount of Rs12 m. is earmarked. May we know for which project? And who is the beneficiary of this contract?

The Deputy Prime Minister: This is a grant that we have received from the *Agence Française de Développement* and it is to study productivity at the Cargo Handling Corporation, if my memory serves me right. I will just check that. Yes, that's what it is.

Mr Baloomoody: Rs8 m is provided for next year, so the consultant fees are annually then?

The Deputy Prime Minister: We have Rs8 m. for next year.

Mr Ameer Meea: At page 111, under *item 32145.120 – Loans to Cargo Handling Corporation Ltd.* There is an amount of Rs250,000. May we know the terms and conditions of this loan?

The Deputy Prime Minister: The loan is from the *Agence Française de Développement* for the purchase of equipment for Cargo Handling Corporation Ltd. I have no problem to provide the terms and conditions.

Mr Uteem: Still under the Cargo Handling Corporation Ltd., may we know from the hon. Deputy Prime Minister where matters stand with respect to the strategic partner for that Corporation?

The Deputy Prime Minister: I mentioned this in my speech;, with regard to DP World, we are still talking to them. We have some matters still in contention, but we are still talking to them.

Mr Ameer Meea: On the same issue of Loan to Cargo Handling Corporation Ltd., I believe, as the hon. Deputy Prime Minister stated, that it is a loan from *AFD*. Is it a repayment, because Rs250,000 is being budgeted in 2017/18?

The Deputy Prime Minister: I am answering for 2016/17. For 2017/18, I don't know, I need to have the information. But the loan that comes in will come in for the revenue of the Government and it is being spent here so that you have transparency, otherwise you will not see the amount being spent at all. So, it comes in and goes out.

(Interruptions)

I am told it is Rs500 m. for over two years. Sorry about that!

Mr Fowdar: Can I ask the Deputy Prime Minister the terms and conditions of the loan? Are they repayable with interest? Is there a time frame for repayment?

The Deputy Prime Minister: I will circulate the information for the House.

Vote 3-2 External Communications (Rs284,000,000) was, on question put, agreed to.

Vote 3-3 Civil Aviation was called.

Mr Uteem: On page 112, under item *21110 Personal Emoluments - Director of Civil Aviation*, may I know from the Deputy Prime Minister whether this position of Director of Civil Aviation has been filled, and if so, who is the incumbent?

The Deputy Prime Minister: We have a Director of Civil Aviation and it is Mr Pokhun.

Mr Rughoobur: Under item *22120.020, Inspection and Audit Fees*, may I know from the Deputy Prime Minister if there is any amount earmarked for inspection in terms of security. Can he give some details on the amount being paid and the firm selected for the exercise?

The Deputy Prime Minister: The current contracts for technical assistance with Bureau Veritas and UK Civil Aviation Authority will lapse in December 2016. The increase in tender value is estimated to be between 20% and 25%. Provision also includes oversight for three new helicopter operators. A sum of Rs2 m. is earmarked for the Department's oversight activities to be undertaken abroad where Air Mauritius and other aircrafts registered with the Department are maintained. Inspections and Audits are undertaken by the inspectors of the Department.

Mr Ameer Meea: On page 114, under the last item, *22900 Other Goods and Services*, there is an amount of Rs6.7 m. May we have the details for this amount?

The Deputy Prime Minister: Provision is made for the payment of uniforms, satellite communication service charges and purchase of aviation security identification cards.

Mr Baloomoody: Madam Chairperson, under item *22120 Fees*, we have fees for training. It is Rs9 m. this year and Rs9 m. next year. Are we having new recruits that we have to train?

The Deputy Prime Minister: It is increase to cater for training of newly appointed staff, consultancy fee for the setting up of Civil Aviation Authority, technical assistance in airworthiness and flight operation. Tender exercise will be launched in September 2016.

Mr Ameer Meea: Coming back to Inspection and Audit Fees. There has been an increase from Rs36 m. to Rs47.5 m., that is, Rs11 m. May we know the reason why such an increase?

Mr Mahomed: On the same subject, who does the inspection and audit? Is it outsourced or is it done internally?

The Deputy Prime Minister: I presume it is increasing because we have more audits to do. We do charge for this. It is not free when we do it for Air Mauritius or other registered aircraft, we charge for it. We do it in conjunction with Bureau Veritas and UK Civil Aviation Authority.

Mr Uteem: Madam Chairperson, under item *31122.999 (c) Replacement of Very Small Aperture Terminal (VSAT)/VHF Amplitude Modulation equipment*, there is a project amount of Rs110 m. May I know from the Deputy Prime Minister whether the contract has already been awarded and to whom it has been awarded?

The Deputy Prime Minister: It is not yet awarded.

Mr Ameer Meea: On the same issue, may we have some details on this item of Rs110 m. What is this item?

The Deputy Prime Minister: The (VSAT)/VHF, AM radio equipment form part of the communication system for providing voice communication between Air Traffic Controllers and Pilots and voice and data with adjacent Air Traffic Control Centre. The VSAT are ground based satellite communication equipment installed in Mauritius, Rodrigues, Agaléga and St Brandon which are used with a VHF AM radio equipment to extend the radio range of the VHF AM for the provision of Air Traffic Services.

Dr. Joomaye: Madam Chairperson, one item below, *31122.999 (d) Airspace Restructuring*, can we have some details about this item as there is an amount of Rs17 m. voted and Rs1 m. to be spent this year?

The Deputy Prime Minister: The existing airspace will be redesigned to ensure the use of modern satellite technology in line with ICAO performance based navigation concept. This will cater for future air traffic demand and performance requirements in terms of capacity and flight efficiency in a cost effective manner. A new routing will be published for use by pilots.

Vote 3-3 Civil Aviation (Rs346,000,000) was, on question put, agreed to.

Vote 4-1 Vice-Prime Minister's Office, Ministry of Housing and Lands was called.

Mr Baloomoody: At page 116, under *Main achievements for FY 2015/2016*, may we know from the hon. Vice-Prime Minister how many social housing units have been constructed and delivered in the last financial year?

Mr Soodhun: It is about 1,000. I have a long list. If the hon. Member wants I can circulate it, or if he wants, I can read it –

- Henrietta : 70 units, 48 lots from Jan 2014 to Mar 2015
- Quatre Cocos : 152 units, 52 lots
- Camp Ithier : 149 units, 60 lots
- Chebel : 68 units
- D'Épinay : 21 units
- Chebel : 8 units
- Grand Bel Air : 6 units
- Mare Tabac : 6 units
- Rose Belle : 1 unit
- Souillac : 7 units
- Rivière des Anguilles : 2 units
- Camp Diable : 16 units
- New Grove : 3 units
- Grand Bois : ...

(Interruptions)

Mr Baloomoody: I am asking about those which have been constructed and delivered.

Mr Soodhun: Let me start again –

- Henrietta - the starting date is January 2014 and completed in March 2015
- Quatre Cocos - the starting date is June 2014 and completed in June 2016.

Mr Baloomoody: Madam Chairperson, the hon. Vice-Prime Minister cannot waste the time of the House because our time is limited.

Mr Soodhun: But you are asking...

Mr Baloomoody: My question is: how many you have delivered, not completed or constructed.

Mr Soodhun: There is a long list. If the hon. Member wants, I can circulate it.

The Chairperson: You can circulate it later.

Mr Mahomed: On the same item, Main Achievements for 2015/2016, mention is made that 345 families have become owners of the plot of State land on which stand their ex-CHA housing units. Now, we all know that there are 19,500 ex-CHA houses in the country for which they are all entitled to purchase their land at Rs2,000. So, 345 over 19,500 is not a big achievement unless this is the last batch. Can the hon. Vice-Prime Minister confirm whether this is a last batch or is it still ongoing?

Mr Soodhun: The 345 families have become owners of the plot of State land on which there are ex-CHA housing units.

Mr Ameer Meea: On page 116, there is a Debt Recovery Unit in place since February 2015 to recoup arrears payment of rentals plus interest resulting in arrears collection of Rs114 m., but mention here is not made of the extent of land that has been recouped, that has been retrieved back from previous owners. I believe from a PQ here in the House, there was a unit that was set up to retrieve those lands. So, may we have the details of lands that have been retrieved back?

Mr Soodhun: Madam Chairperson, I can circulate it. There is no problem for that.

Mr Mahomed: Key Actions for FY 2016/2017, Preparation of Topographic maps to help in Disaster Risk Management. Now, what kind of disasters are we talking about because we already have maps for inundation, flooding and landslide? Is there any additional disaster that we are looking at here?

Mr Soodhun: In fact, we are talking about disaster when we have this case of heavy rains and so on. There are a few cases where a topography map is needed. Now, it is updated.

Mr Bhagwan: We have been told: “Completion of rehabilitation works in NHDC Housing Estates to improve living condition of residents”. We are being informed that six units have been completely rehabilitated. Can the hon. Vice-Prime Minister tell us the six housing estates that have been rehabilitated?

Mr Soodhun: Beau Vallon, La Tour Koenig, Camp le Vieux, Cité La Cure...

(Interruptions)

Riche Terre, Vallée des Prêtres. I will circulate it, no problem.

Mr Ameer Meea: On page 119, item 22030 –*Rent*, there has been a massive increase from Rs12 m. to Rs26.6 m. May we know the reason why there is such an increase and also can we have the details of which property is being rented, where and its extent area.

Mr Soodhun: In fact, Madam Chairperson, provision from the Vote sub-head 4102 and 4103 have been transferred to vote sub 4101 as the monthly rent of Rs2,201,522. In the past, it was separate. It was three different votes. The votes have been brought to one vote. It was in the same buildings with three different votes: (1) General; (2) Housing and (3) Survey Department. So, the General was Rs12,383,000; the Housing floor was Rs719,000 and the Survey Planning, Rs13,984,000. The total is Rs27,086,000.

Mr Uteem: Item 21111.100, *Other Staff Costs, Overtime*, last year it was Rs3.3 m, this year it will be Rs2.5 m. and next year Rs2.5. Why do we pay so much money in overtime?

Mr Soodhun: It is for travelling allowance, travel grant, refund of bus fare, staff fare and overtime based on actual expenditure.

The Chairperson: Why overtime?

Mr Soodhun: They have changed all the procedures as they were in the past. So, we have asked staff to come to work on Saturday to complete certain surveys in which there were backlogs.

Mr Ameer Meea: On page 119, item 21110.005- *Extra Assistance*. There is an amount Rs5.6 m. May we know what is this ‘Extra Assistance’?

Mr Soodhun: Payment: salaries and allowance to four advisers.

Mr Ameer Meea: May we have a breakdown of this figure of the salaries of these advisers?

Mr Soodhun: I can circulate it.

The Chairperson: Page 120! Yes, hon. Uteem!

Mr Uteem: Item 31132.401 - *Intangible Fixed Assets, Upgrading of ICT Infrastructure*. May I know from the hon. Vice-Prime Minister what this relates to and who was awarded the contract?

Mr Soodhun: It is the upgrading of ICT instructions of the existing computerised system that hosts the review model; payment of rental by register system and the store application has to be replaced at the earliest possible in the system - hardware and software - which is often encountering technical problems. The Central Informatics Bureau has submitted the amendment specification and requested the clearance from the Ministry of Civil Service and Administrative Reforms regarding the development of separate computerised register system. The view is still awaited.

The payment schedule of the project after consultation with the Ministry of Finance and Economic Development Rs9.25m. to be paid in this Financial Year; Rs25 m. to be paid in 2017/18. Maintenance cost of existing system is Rs272,846,053 for the period of 07 June 2016 to 06 June 2017 and for the hardware Rs448,552.31 VAT exclusive for the Grade 1 for the period January 2016 to 31 December 2016.

The Chairperson: Hon. Mahomed!

Mr Mahomed: Under item 21110.001 - *Housing Development Officer*, for the last Financial Year, we had one and it cost us Rs576,000. In this current year, we are going to recruit a total of three more making it four and the total sum required for this will be Rs992,000. So, to my view, it is not proportionate. Can the hon. Vice-Prime Minister shed some light on this figure?

Mr Soodhun: It depends when we are going to recruit because other vacancies in respect of Housing Development Officer have been advertised on 14 July. The selection exercise is scheduled by the PSC for 31 August 2016.

The Chairperson: Hon. Ameer Meea! Page 121.

Mr Ameer Meea: On page 121, item 28222.012 - *Casting of Roof Slab Grant*, the amount budgeted is Rs110 m. and in the note, it is mentioned that 1,900 families have benefitted from the Roof Slab Grant Scheme. But, as announced in the Budget, the limit has been increased from Rs10,000 to Rs20,000. Therefore, it means that less people will benefit from this grant. So, can I ask the Vice-Prime Minister, the fact that he has increased the limit and, at the same time, the amount that has been budgeted is the same, how many people will benefit from this scheme?

Mr Soodhun: I do not have the exact figure of how many people will benefit from the scheme, but I can tell you that now the grant for the casting of roof slab has been increased from Rs65,000 to Rs75,000. Also, the income previously was Rs8,500, now it is Rs10,000. Families earning between Rs10,000 to Rs15,000 monthly are also eligible to a grant of Rs14,000. Increasing in the grant for the purchase of building materials Rs55,000 has increased to Rs65,000 for the family earning Rs10,000. So, now for the payment effected recently is as follows: January to 2015: 47.

(Interruptions)

Mr Ameer Meea: My question is that now the limit has increased. That is more people will be eligible for this scheme and, at the same time, the Budget has remained the same. So, my question is: how many people will benefit from this system being given that the limit has not increased.

Mr Soodhun: Yes. 1,900 people.

(Interruptions)

Yes!

The Chairperson: Hon. Mahomed!

Mr Mahomed: I have a few questions here....

Mr Soodhun: About 1,500.

The Chairperson: One question!

Mr Mahomed: One question only.

The Chairperson: Yes, because of the time allocation.

Mr Mahomed: Okay! For Casting of Roof Slab Grant, I do agree that you need to have a Budget per year and for this year, it is going to be Rs110 m. Let us say the Ministry exhausts that fund in three months' time. The next batch of housing unit, do they need to wait for next year because many at times, their houses are inspected and there is a long delay for them to get their payment and this becomes a problem for them? How does it work?

Mr Soodhun: In fact, if we go to the previous year, we have granted much more than what has been granted in 5 to 10 years. But, your question is, if it happens money is exhausted ...

(Interruptions)

I will go to the Minister of Finance again. I will go and talk to him that there is a list. Now, we are working on the list. I cannot just tell him that there are so many people. We are working on a list, if finally we need funds - because it is not the first time that we need - we will go to the Minister of Finance.

The Chairperson: Hon. Quirin!

Mr Quirin: Madam Chairperson, under *item 28222.017 - Construction of Social Housing Units*. An amount of Rs812 m. has been earmarked for the construction of social housing units. Can we know the number of houses to be constructed region-wise, please?

Mr Soodhun: As I said, there are 1,900 new housing units, Phase III, Phase IV. Also, now, we have the construction of 70 housing units at Henrietta and 48 service...

(Interruptions)

But the construction of 567 housing units is still ongoing. So, 91 housing units are already under construction at Sebastopol, 152 housing units at Quatre Cocos, 149 housing units at Camp Ithier, 46 housing units at Beau Bois and 68 housing units at Chebel. This is what we have.

(Interruptions)

I can go on. We have 71 at Melrose, 72 at Mon Goût, 47 at Souillac, 86 at Khoyratty, 73 at Petit Bel Air and so on. We have a lot.

(Interruptions)

The Chairperson: Hon. Soodhun, if you have a long list like that for other questions, then you may as well circulate it.

Mr Soodhun: I will give details, my time will go off.

The Chairperson: You circulate it, it is much better. How Fowdar!

Mr Fowdar: On page 121, item 25120.002 – *Subsidies to Financial Public Corporations, Subsidy to MHC (Housing Loans)*, there is a provision of Rs10 m. annually. What is the subsidy for? And the second part of the question is: MHC is a very profitable company; they are making more than Rs200 m. profit per annum. Why are we giving them subsidy?

Mr Soodhun: Government provides subsidy to purchase housing unit to households earning an income of Rs8,500 per month to reduce their monthly repayment. In November 1988, *un plan épargne logement* was launched and in order to boost up the scheme to attract investors, Government gave 3% interest on the basic rate. In September 2000, the Mauritius Housing Co. Ltd. came up with a new Housing Deposit Certificate to raise funds. It was a subsidy for the people who earn a salary of Rs8,500.

(Interruptions)

The Chairperson: No. we have exceeded the time allotted already by 20 minutes. So, can we move to page 122?

(Interruptions)

I will allow on page 121, hon. Barbier, because he has not had any question, then I will come to page 122.

(Interruptions)

Mr Barbier: Thank you, Chair. On the question of social housing, I can see that there is no provision as far as the replacement of asbestos housing units are concerned which were supposed to come this year. So, may I know from the hon. Vice-Prime Minister whether there is any provision, if it is not in this code, in which code it is?

Mr Soodhun: A very good question! Thank you, Sir! We have taken into consideration and for the kind information of my colleague, we have set up a committee under the chairmanship of the Minister of Environment to look into it and we are just building the new houses. We are also having discussions with the Minister of Finance to see how we can come with a solution to help. It is a very pertinent question.

Mr Baloomoody: There is the Secretary National Planning and Development Commission on page 122, is there a National Planning and Development Commission, and if so, who is acting as the Secretary because there is no provision for the post? Item 21110 - *Land Management and Physical Planning*.

Mr Soodhun: Action is being initiated to prescribe the scheme of service and fill the post very soon by the Survey Section.

Mr Baloomoody: Who is acting as Secretary now?

(Interruptions)

Action will be taken to fill the post, but who is acting as Secretary now?

Mr Soodhun: I am sure that the work is being done by other people.

Mr Ameer Meea: Page 122 item .005 - *Extra Assistance* there is an amount of Rs5.2 m. may we have the details of this amount?

Mr Soodhun: Payment of salaries and allowances to the Indian officers, 1 Lieutenant Commander and two petty officers of the Hydrographic Unit.

Mr Mahomed: Item 2111.013 - *LAVIMS*. *LAVIMS* is a project that was completed some time ago and we see that in the last financial year there was no provision and suddenly as from this year and for the next three years a provision of Rs40 m. is being made annually. May we know what is it about?

Mr Soodhun: The amount provided for this year is Rs40 m. The provision has been made for this year.

(Interruptions)

Maintenance of the hardware and software for one year.

Mr Jhuboo: Item 22130 concerning *Studies and Surveys* there is a provision of Rs14 m. for 2016 and Rs20 m. for the next year. Can we know from the hon. Vice-Prime Minister the type of surveys and studies that he is referring to?

Mr Soodhun: Studies and surveys, hydrographic service by the Indian Navy. A hydrographic unit has been established at the Ministry which acts as a nodal agency responsible for providing hydrographic support to all stakeholders related to maritime domain.

Mr Ameer Meea: Coming back to the LAVIMS Project, this project has cost almost Rs.1 billion and can I ask the hon. Vice-Prime Minister what is the percentage of completion of this project, that is, in terms of land that is available in Mauritius, be it private land or State-owned land, what is the percentage of land that has already been *répertorié* sur le système LAVIMS?

Mr Soodhun: 60 per cent.

Mr Uteem: Still on the LAVIMS Project, the project has a lot of delay and yet we are budgeting Rs40 m. in maintenance. So, this project is not even implemented and we are budgeting for maintenance. May I know from the hon. Vice-Prime Minister who is the consultant and whether we can look into the matter because we cannot pay for maintaining a system which is not working?

Mr Soodhun: Yes, it is for an IT system for the maintenance support and it should be ongoing. We have already 60% ...

Mr Bhagwan: On page 123, item 26313.091 - *Town and Country Planning Board*, there is an increase. Can the hon. Vice-Prime Minister at least circulate the composition of the board and when did the board meet last?

Mr Soodhun: Yes, I am going to circulate.

Mr Baloomoody: Under item 22130.003 - *Land Use Planning and Management (b) Review of National Land Development Strategy* page 123, we are budgeting Rs10 m. this year. May we know where matters stand with regard to that project?

Mr Soodhun: Review of National Land Development Strategy includes the drafting of the planning legislation and Rs28.5 m. has been earmarked for the review of national land development strategy in 2016-2017. One component of the project to

review the existing planning registration has already started. So far, Rs3.5 m. has been spent on the planning legislation consultancy involving only one consultant and the update of NLDS will consist of a review of the policies and land management practices of the different stakeholders. It is expected to start shortly.

Mr Baloomoody: Is this project being carried out in-house or is it an independent consultant and, if so, how this consultant was selected?

Mr Soodhun: There is a specialist skilled team of professionals in various fields such as transport planning, land economist, tourism planning, and infrastructural planning. For the infrastructural planning, we will require the National Land Development Strategy. The consultancy of NLDS has been delayed as it is difficult to find appropriate specialists skilled locally to carry out the study.

Mr Ameer Meea: Item 22120 – *Fees*, Rs3.6 m. It has increased from Rs1.3 m. to Rs3.6 m. May we know why such an increase and also if we have the details of this amount?

The Chairperson: If it is a long piece of information, the hon. Vice-Prime Minister can circulate it.

Mr Soodhun: It is the payment of fees to the members of the committees. For the Bid Evaluation Committee, Chairperson gets Rs600 per sitting to a maximum of Rs1,800 per evaluation; the Secretary, Rs660 for sitting up to a maximum of Rs1,100 per evaluation; members, Rs500 per sitting up to a maximum of Rs1,500 per sitting. For the Board of Assessment, it is the Chairperson, the Secretary and *Morcellement* Board.

Mr Uteem: Madam Chairperson, again on LAVIMS Project, *item 31132.101 (e), Hardware Replacement*, there is Rs63 m. budgeted. So, may I know from the hon. Vice-Prime Minister what has been the total cost of LAVIMS and who is monitoring the implementation? Because it is not possible that we have to replace the hardware for Rs63 m. when the system has not even been implemented.

(Interruptions)

The Chairperson: Only one question on page 124, and then we will move to the next page. Hon. Members, I said right at the beginning that the Whips had agreed

on the time to be allocated to each Ministry. We have already exceeded this by half an hour. I think I have been flexible enough to exceed the time allotted to others.

(Interruptions)

Hon. Ameer Meea, I am sorry, you cannot complain, because the Whips had agreed. I have said right at the beginning that the two Whips had agreed, together with me, for time allotted for each Ministry. I have been flexible. We have exceeded, for this Ministry, 30 minutes already. We have given 40 minutes already.

Mr Soodhun: The system is being implemented and the hardware has to be replaced and reviewed. We are collecting Rs82 m.

Vote 4-1 Vice Prime Minister's Office, Ministry of Housing and Lands (Rs2,262,000,000) was, on question put, agreed to.

Vote 5-1 Vice-Prime Minister's Office, Ministry of Energy and Public Utilities was called.

Mr Jugnauth: May I, Madam Chairperson, move for amendments to the Vote 5-1 of the Vice-Prime Minister's Office, Ministry of Energy and Public Utilities under items 32145.503, *Loan to Central Water Authority* and 32145.517, *Loan to Wastewater Management Authority* as per amendment circulated.

Mr Baloomoody: On page 125, *Main Achievements*, Pailles Water Treatment Plant became operational, increasing daily water treatment capacity to 80,000m³. May I know what are the daily hours of water supply in the region of Pailles?

Mr Collendavelloo: They have increased almost 24 hours. So, it could be 22, 23.

Mr Uteem: On the same item *Pailles Water Treatment Plant*, can the hon. Vice-Prime Minister confirm that Pailles Water Treatment Plant is running at full capacity of 80,000 m³?

Mr Collendavelloo: The answer is in the affirmative.

Mr Mahomed: On the same item *Main Achievements*, one can read that 59,231 families have benefitted from lower electricity tariff through the introduction of a new social tariff, when the target on the next page is 70,000. All along, I understood it that beneficiaries will be eligible for the social tariff based on their

monthly consumption. So, why is it that 10,000 families have still not benefitted from that social tariff?

Mr Collendavello: There is a fluctuation. Our estimates were 70,000, but when you look at the actual situation of people, there are not as many people who are socially disadvantaged as we thought that they were. We still keep the limit of 70,000 in the unlikely event that poor people become poorer, but we do not think that this is going to happen.

What is also happening is that some people who are within that category do not know that they are in this category. CEB has sent 8,000 letters. We are awaiting reply to see whether other people cannot get in. We will wait.

Dr. Joomaye: In the *Main Achievements* concerning renewable energy, there is an additional 9.35 MW. Can we know to how much that brings the total quantum of renewable energy, including that 9.35 MW?

Mr Collendavello: The total amount of all renewable energy, including hydro, sun, etc., is 20.3% of the total energy provided. So, in terms of MW, it would be one fifth of 500, say 100 MW.

Mr Baloomoody: On the same page, the one before the last dot – Additional 2,153 premises connected to the sewerage network. Can the hon. Vice-Prime Minister lay on the Table a list, area wise probably, of the inhabitants who have benefitted that connection?

Mr Collendavello: The hon. Member will recall that when I addressed the House last Friday, I tabled a list of all projects, which included all. I know it is a bit complicated. I can assist on individual questions. But to table a list, may I just refer to that directory. Yes, I can compile a numerical list also. It is not a difficult thing to do. It is mostly in Plaine Wilhems, Parisot and Verger Bissambar, which is well known to our friends of Constituency No. 20. I don't know whether it is on the document which the hon. Vice-Prime Minister laid on the Table when he addressed the House, but with regard to connection of additional premises to the sewerage network, I see that the target is for 2,000 premises. Is there a list already worked out, area-wise, and if so, can we have the list?

Mr Collendavello: You are referring to the additional 2,153 premises? The projects which are completed are Plaines Wilhems, Parisot, and Verger Bissambar.

(Interruptions)

All right, I get it now. Implementation of Plaines Wilhems project, Marcel Cabon, Cipailles Brûlé, Karo Lalo, Tranquebar, Highlands. But to be more precise, the directory can assist or I can assist in whatever way you wish.

The Chairperson: Pages 126, 127, 128!

Mr Ameer Meea: On page 128, under item 21110 – *Personal Emoluments*. With regard to *Deputy Director, Technical Services (Public Utilities)*, in 2016, the post is nil and for 2016/2017, it should be one, but, at the same time, in the Estimates nothing has been budgeted. So, do I presume that for this post the Ministry is not going to recruit a Deputy Director, Technical Services?

Mr Collendavello: The post was advertised, but no candidate was eligible, so now the Ministry is reviewing the scheme of service to see how we can get somebody in.

The Chairperson: Page 128, no more questions? Page 129! Yes, hon. Bhagwan!

Mr Bhagwan: At page 129, item 26 *Grants*, under .98 – *Utility Regulatory Authority* where Rs5 m. is earmarked, can the hon. Vice-Prime Minister inform the House whether *il a trouvé cet oiseau rare?*

Mr Collendavello: There are four rare birds which have to be found. We have found everyone, but, of course, with due deference to them, I would not like to give their names right now; they have all agreed. I need to consult the Rt. hon. Prime Minister, of course, to seek his agreement and he will now continue with the process with the hon. Leader of the Opposition, etc.

Mr Mahomed: On that same item, budgetary provision of Rs5 m. has been made for the next three years for the operationalisation of the URA. Now, this is an Authority and if I compare it with MARENA, which is an agency, the amount that is being budgeted is twice as much, Rs10 m. So, my question is: is the hon. Vice-Prime Minister satisfied with the amount of Rs5 m. being sufficient for the running of an Authority?

Mr Collendavello: Of course, it is not, but it is almost a token, then funds will be used for remuneration and we will find ways and means. For the moment, the

Authority, when we got the Board, then we shall see how much actually the operation will cost.

(Interruptions)

Yes, exactly! There is no need for them. Exactly what I have said, maybe it will be reviewed as and when provisions are made.

Mr Uteem: At page 129, item 22030 – *Rent*, amount budgeted for next year is Rs4.8 m. and then there is nothing budgeted afterwards. So, do I take it that afterwards they are going to acquire new premises or eventually leave?

Mr Collendavelloo: Let me reassure you, I am not going to be disbanded. That is one thing. What is happening is that we are going to move to new offices in Ebene and, I think, the rent is going to be paid by some other Ministries. There is a technical issue and this is why the rent is not forwarded for the next year.

Mr Ameer Meea: At page 129, under item .005 – *Extra Assistance*. There is an amount of Rs2.2 m. budgeted. I presume it is the same as other Ministries; then, it would be funds that are paid to advisers and, if this is the case, may we have a list of such item and also the breakdown.

Mr Collendavelloo: You mean the advisers?

(Interruptions)

Yes, I have three advisers, Ms Boolakee, Mr D. Anacootee and Mr G. Tirvengadam. There will probably be a fourth one, but I am not yet settled on that.

Mr Baloomoody: At page 130, under item 22120 – *Fees*. Last year, we budgeted Rs560,000 and this year it is Rs3.6 m. May we know with regard to what these fees are attributed to and who are the beneficiaries?

Mr Collendavelloo: I will just read what I have. First of all, there is Energy Efficiency Technical and Sub-Committee. That is Rs120,000. Secondly, the Energy Efficiency Committee, which is Rs120,000, and we have the fees for the Chairman, which is Rs360,000. Then we have Consultancy services for the Energy Efficiency Management Office. We will appoint a Consultant to conduct training on energy audits, including training on boilers and refrigeration; about 60 trainees will be enlisted and will undergo an examination to be certified as Energy Auditors and be registered with the EEMO and that is Rs3 m. That is how we reached that sum. So, it

is Rs3 m., the bulk of it is for the training of these Energy Auditors. If I may add very briefly...

(Interruptions)

Yes, in my time, because I did not have time to talk about it during my speech on the Budget. It is very important to give training to these people, to get to a target of 10% energy savings nationwide, and that is a lot of money.

Mr Mahomed: My question pertains to item 22130.001 – (e) *Consultancy for the adoption of Liquefied Natural Gas (LNG)*. The WarleyParsons Report of 2014 is clear in its recommendation, in that the use of LNG in Mauritius will only be commercially viable the day we start using LNG in buses, in cars and possibly in ships over and above an electricity production...

The Chairperson: Hon. Mohamed, is your question a matter of policy or..?

Mr Mahomed: We are going to spend a total of Rs50 m. on consultancy over the next two years. What does the consultancy seek to achieve?

Mr Collendavelloo: As a matter of policy, we have decided to study the possibilities of LNG in Mauritius. For that purpose, there is a technical committee which is sitting. There is a Ministerial Committee; we met. I think we are three or four Ministers. Within one meeting, we realised that was way out of our depth and we appointed a technical committee. Now, these Consultants will deal, first of all, with sources of supply. As you know, there is a problem with Mozambique right now. Secondly, most importantly, mode of transport from the source to the port, that is, to Port Louis. Then how do we transport it? For all this, the Consultants will have to examine and we will have to examine where we will reach it. The hon. Member is absolutely right. It is not economically viable to have LNG just for electricity. We need it for transport, we need for bunkering and we need it eventually for piping in towns. So, I am not going to engage the State into a huge project until I am sure that the Consultants have given the Government the green light on this. I hope I have been helpful on this.

The Chairperson: Hon. Uteem!

Mr Uteem: I am glad for the answer of the hon. Vice-Prime Minister, but may I know in respect of this consultancy whether Request for Proposal has already been launched because it has been a number of months that we are talking about it?

Mr Collendavello: I think they have been launched a few weeks ago. Yes, they have. They were launched a few weeks ago. I have read a paper. I was not too sure whether they had been launched by now, but I get many nods they have been launched.

The Chairperson: Hon. Dr. Joomaye!

Dr. Joomaye: Under item 22900.099 (d) *Sensitisation for Energy Efficiency Audit (PNEE)*, a sum of Rs4 m. is being voted. I would like to know if this will be carried out by the officers of the Ministry or would be subcontracted to private consultants.

Mr Collendavello: The contract has been awarded to PF Building on 26 May 2016 for Rs5 m. over two years. Am I right? Yes. This is a joint Government JEC/AFD initiative. We are trying to work towards this energy audit. As I answered to hon. Uteem, this is a crucial part of our programme. Unfortunately, I did not have time, during my speech, to talk about it. I will try and seek another opportunity at Statement Time to say what is our programme on this.

The Chairperson: Hon. Ameer Meea! No question! Hon. Osman Mahomed! Please be brief, hon. Osman Mahomed!

Mr Mahomed: I shall try my level best.

The Chairperson: No, but you have to be brief.

Mr Mahomed: Under item 25110.008 *Central Electricity Board*, why are we giving a subsidy to CEB to the tune of Rs92 m. in a year when there was a lot of windfall gains on account of the falling prices of fossil fuel?

(Interruptions)

Mr Collendavello: In fact, there is no subsidy. There used to be a subsidy which Government was given for Sarako project for the Landfill Gas to Energy and for the Plaines des Roches Windmill Project. Again, the hon. Member is right, with the windfall gains on the petroleum prices, Government has slashed our subsidy but for Mauritius Housing I hear they keep on giving, they are also profitable, but I am

not going to fight with my colleague, the Minister of Finance and Economic Development now.

The Chairperson: Hon. Fowdar! No! Hon. Uteem! Page 131! Hon. Uteem!

Mr Uteem: Under item 311132.442 *Upgrading of Street lighting along Motorways*, there is only a budgeted amount of Rs30 m. for next year. May I know from the hon. Vice-Prime Minister whether it is going to be only a one-off, only next year that the upgrading would fall under his Ministry, what happened after that?

Mr Collendavello: For the moment, it is one-off. What happens after that, we will have to see. There was an urgency to look at it and we have put the manpower and our knowledge. Then, we will renew the contract; we will see what we will do.

The Chairperson: Hon. Osman Mahomed!

Mr Mahomed: On that same item where there has been cable theft, so replacing them will lead to the same problem. Is consideration being given to systems which do not require electrical cables like solar PV?

Mr Collendavello: That has been the subject of a long discussion between hon. Bodha, myself, CEB, etc.

(Interruptions)

The technical people tell me solar cannot be used for that purpose, we need to use sodium. Now, underground cable, I just had a discussion with hon. Alain Wong, he says why are you putting aerial cables. Again, because people steal cables down! We have to give light to some motorways; we are doing the best that we can, the best is never good enough, of course.

The Chairperson: I draw the attention of hon. Members that I will not accept questions on policies. Hon. Fowdar, yes!

Mr Fowdar: On page 132.

The Chairperson: 131!

Mr Fowdar: No.

Mr Baloomoody: There is a sum of Rs30 m. for lighting for the Highway Project. You said it is one-off, what about the maintenance? Does it include the maintenance cost? Who will maintain it, the Ministry?

Mr Collendavello: I think the overall idea is that we will ensure the maintenance. Is that so? Yes. We will continue to ensure the maintenance, we shall see at what cost.

The Chairperson: Page 132! Hon. Fowdar!

Mr Fowdar: There is a last item on that page 25110.009 *Subsidy to Central Water Authority*, this time it is subsidy to CWA. For the coming year, it is Rs16 m. and then it goes off. Can we know the reason?

Mr Collendavello: The payment to CWA is in respect of the supply of 6-metre cubes of water free of charge being implemented since 01 January 2016. 52,000 households out of a total of 372,000 consumers benefit from this scheme. For the subsequent years, the cost will be absorbed by CWA.

Now, there was another item, there used to be a compensation of Rs209 m. It does not appear this year in the budget as no subsidy is being provided to CWA in respect of loss of revenue upon abolition of levy of one fifty on each litre of locally produced soft drink, bottled water and food drink.

Let me just say ten seconds on policy because it is related to policy. We will need to review the whole financial structure of CWA, I will come forward, and I am sure there will be a debate in the House and in the public on the restructuring of CWA.

The Chairperson: Hon. Dr. Joomaye!

Dr. Joomaye: Under item 22130.005 (b) *Dam break analysis*, we find a sum of Rs15 m. voted and additional 30 m. to be spent over the next two years. Has the contract been allocated already?

Mr Collendavello: The question is: who is the contractor? Well, we need to do it. I do not think we have appointed the contractor yet. No, we have not appointed the contractor yet.

Mr Uteem: On the same item, may I know from the hon. Vice-Prime Minister when we talk about damn break analysis, are we talking about all the dams in

Mauritius because it is only in singular. So, are we going to do a general analysis of all the existing dams?

Mr Collendavelloo: If I may give the list! We are talking of Mare aux Vacoas, Midlands, la Ferme and Bagatelle which are the dams which need to be looked at.

Mr Ameer Meea: On item 22030 – *Rent*, there is an amount of Rs4.3 m. budgeted, may we know what is being rented, the floor space area and where this building is being rented?

Mr Collendavelloo: That is for the Water Resources Unit which is at Royal Commercial Complex in Rose Hill. The monthly rental is Rs338,790 for 11784 square feet plus Rs100,000 annually for parking.

Mr Mahomed: Under item 22130.005 (b) *Dam Break Analysis*, how does the hon. Vice-Prime Minister reconcile the fact that the Bagatelle Dam is going to be impounded this year with 14,000,000 m³ of water and, at the same time, we are doing a Dam Break Analysis? Is it safe? We are analysing the dam against breaking in a year where it is going to be fully impounded with 14,000,000 m³ of water.

Mr Collendavelloo: I asked the question and I was told and I am confirmed that the analysis will be carried out before impounding and then the impounding will be done gradually, I believe, just like you fill your bath you don't fill it all at one go but gradually. I suppose they are technicians and they know what they are doing.

Mr Baloomoody: With regard to item 22060 - *Maintenance of which: Other Structures - Dams*, may we know which dams we are talking about? Rs6 m. for the maintenance?

Mr Collendavelloo: Is the hon. Member talking of maintenance of building and vehicles?

(Interruptions)

No? Other structures – dams, yes, that is provision for, first, Midlands Dam. We need Rs1 m. for maintenance of electromechanical equipment. For Mare aux Vacoas and La Ferme, we need Rs5 m. for hydro mechanical works on dams and feeder canals. Then there is the contract for Midlands Dam which has been awarded to Manser Saxon Contracting Ltd for a duration of three years ending April 2017. The contract

amount is Rs2,523,371 including VAT and 15% contingencies. Bids for Mare aux Vacoas to be launched in September 2016, cost estimate Rs4.5 m. Thank you.

The Chairperson: Page 133, hon. Fowdar!

Mr Fowdar: Item 32145.503 – *loan to Central Water Authority*, is there any loan agreement, terms of loan, terms of repayment, interest rate?

The Chairperson: If the hon. Vice-Prime Minister does not have it, he can even circulate it later.

Mr Collendavello: I will. I am afraid I do not have the terms and conditions of the loan. I did not foresee that question. The hon. Member should have told me earlier...

The Chairperson: The hon. Vice-Prime Minister can still circulate it later. Hon. Uteem!

Mr Uteem: Under 31113 - *Construction of Dams (a) Bagatelle*, there is a confusion as to when will Bagatelle Dam be operational because here there is an amount budgeted also for 2017/2018 and 2018/2019. So, may we have some clarification as to when will the Bagatelle Dam be fully operational?

Mr Collendavello: It will now be completed in December 2016 - this is why I am waiting for confirmation - but it will be operational in July 2017. That is what I get. There is a lot of further information on this but I will wait.

Mr Mahomed: My question relates to item 32145.503(a) *Pailles Water Treatment Plant*, the hon. Vice-Prime Minister just mentioned that the plant is fully operational with 80,000 m³ per day. May I ask why are we investing another Rs90 m. in this year and another Rs15 m. in the next year?

Mr Collendavello: The treatment capacity will be increased up to a maximum of 100,000 m³ per day and this will allow now really 24 hours and not almost 24 hours uninterrupted supply. The provision is for operations and maintenance work Rs20 m., release of retention money Rs64 m.

Mr Ameer Meea: Coming back to Bagatelle Dam, the project value is Rs7.1 billion and further down under acquisition of financial assets, *Loan to CWA (b) Bagatelle Water Treatment Plant and Associated Works* Rs1,569,800,000. I presume that both projects are related. So, my question to the hon. Vice-Prime Minister is:

what will be the total final cost of Bagatelle Dam including this Bagatelle Water Treatment Plant?

Mr Collendavelloo: That was why I was a bit surprised that I was not getting questions. The dam, itself, is storage of 14 million metre cube. It started with an initial project value of Rs3.3 billion. That was in 2011. Let us not go into further detail. When in 2013 they discovered that the initial plan was not good and that they had to have a cut-off wall instead of a grouting so the contract value increased and it came to Rs5.6 billion plus VAT which came to Rs6.2 billion from Rs3.3 billion. Then, we have associated costs with that increase and there has been litigation. We have had to retain lawyers and all that. You know what lawyers are, they claim fees and...

(Interruptions)

You know that now!

We have to make provisions for that. All these have increased the price, but I am happy to say that on this aspect of litigation, it seems we are heading for an amicable settlement instead of costly litigation. I hope it will materialise, I think so. I, together with the Attorney General, we will report as and when. The total price now will be Rs8.5 billion for the dam and for the water treatment plant. For the water treatment plant, the negotiations for the contract are starting at the end of August. We have had a legal battle. Again, legal battles take time. We wasted one year in the Supreme Court instead of digging the hole for a water treatment plant. Finally, the contractor is there. We are still threatened with litigation; we hope we can go on. We are starting the negotiations in August and we hope to finalise with hired consultant from South Africa, Orecon Ltd, to advise us and to supervise the work to make sure that there is no increase in costs. I am sorry to have taken more time than necessary.

Mr Baloomoody: On the same page 133, under item 31113.011 *Drilling of Boreholes*, a sum of Rs7 m. has been earmarked. May we know exactly how many boreholes there are and where they are situated?

Mr Collendavelloo: A contract was awarded in February 2016 to Sotravic Ltée for Rs4.8 m. for drilling of boreholes at Mon Desert & Mon Tresor, Mare la Chaux and Beau Plateau. Works have been completed at Mon Desert & Mon Tresor and Mare la Chaux with a total yield of 2,400-meter cubes per day. Works at Beau Plateau have been delayed because of a legal problem again. In 2015/2016,

Rs2,229,000 have been spent in respect of boreholes drilled at Mon Desert & Mon Tresor and Mare la Chaux. Then, there is also provision for a core hole at Mare Soulier, Mare aux Vacoas reservoir for investigation of stability of spillway. The bids were floated in August with closing date at 06 September 2016 at an estimated cost of Rs1.5 m.

The Chairperson: I am drawing hon. Members' attention to the fact we have exceeded already by 15 minutes, the time allotted and agreed by the Whips. Therefore, can I ask hon. Members to be brief in their questions and then to be brief in their replies as well.

Dr. Joomaye: Regarding Bagatelle Dam, the hon. Minister stated that the construction of the dam would be completed by the end of 2016 and he said as well that the construction of the treatment plant has not started yet. Since we see that money is budgeted up till 2018 and 2019, can we know when the treatment plant will start to be operational?

Mr Collendavelloo: Well, we would have wanted the treatment plant to progress at the same time as the Bagatelle Dam. We think we are just ahead of schedule that legal battle in the Supreme Court has made us waste a lot of time, but now we will start negotiations, in a dream world we hope that we would finish in July 2017 so that the two are operational together, but to say frankly, I don't think that will be the case. We are all doubtful as to this.

Mr Baloomoody: On page 134, *under item 32145.517 Loan to Wastewater Management Authority*, can I ask the hon. Vice-Prime Minister with regard to the Bain des Dames Sewerage Project and the Kensington Sewerage Project, where matters stand?

Mr Collendavelloo: For the Bain des Dames Sewerage Project, the consultant is Servansingh Jadav & Partners who is appointed for a sum of Rs2.5 m. in 2012. They have already submitted the preliminary design. The work is scheduled to be implemented in 2018; provisions are earmarked in 2018-2019 as we see on the right-hand column, Rs130 m. The cost estimated is, in fact, Rs175 m. including VAT, but the planned sum is Rs130 m.

For the Kensington Sewerage Project, it will comprise 100 house connections estimated to cost Rs80 m. The tentative starting date is February 2017 with an expected completion date of September 2018.

Mr Uteem: Madam Chairperson, in respect to Tranquebar/Vallée des Prêtres Sewerage Project - I have asked this question several times and I am asking it again - how much money is earmarked for Tranquebar because Tranquebar and Vallée des Prêtres are very far apart? Is the sum of R80,000 earmarked for Tranquebar or for Tranquebar and Vallée des Prêtres?

Mr Collendavelloo: By the time the paper comes, let me just say one thing. The Cipailles Brûlé contract was awarded to Padayachee Contractor for RS76,543, 145. Then, we have Carreau Lalo, tender to be launched by the end of 2016 and Tranquebar, tender to be launched in 2017. Therefore, we need to launch the tenders before having the final prices. The estimates are as per stated here.

Mr Uteem: On page 136, item 31112.001 *Construction of building* Rs25 m., may I know from the Vice-Prime Minister where would be the building located and whether the contract has already been awarded?

Mr Collendavelloo: The one in Helvetia Saint Pierre, area 650 sq. metres, bid documents would be ready by the end of November 2016 and tendering up to February 2017. The expected completion date of the building is February 2018. The building will be equipped with solar panels and rainwater harvesting.

Vote 5-1 Vice-Prime Minister's Office, Ministry of Energy and Public Utilities (Rs2,947,000,000) was, on question put, agreed to.

Vote 6-1 Finance and Economic Development was called.

Mr Baloomoody: On page 138. Major Achievements, *the Board of Investment has issued letters of intent for two projects under the 'Smart City' scheme.* May we know which projects they are and when construction will start?

The Chairperson: The Board of Investment has issued letters of intent for two projects under 'Smart City Scheme'; which two projects?

Mr Jugnauth: Can we wait for the information?

The Chairperson: Can we pass on to the next question in the meantime!

Mr Baloomoody: Pending the reply, on the same page 138, *some 40 NGOs benefitted from grants under the decentralised cooperation Programme and around 300 NGOs were empowered through training and awareness programme under the DCP & CSR to support effectively the poor and needy.* May we have a list of these NGOs which benefitted from grants and the 300 NGOs which were empowered through training?

Mr Jugnauth: I can circulate this later on.

The Chairperson: We move to page 139 pending the reply. Yes, we are still waiting for the reply.

Mr Uteem: May I know from the hon. Minister of Finance and Economic Development - there is an item *Attorney-at-Law*, but no amount is budgeted – whether there is an intention of recruiting an Attorney-at-Law?

Mr Jugnauth: In fact, Mr Chairperson, we have a very – I will call him – outstanding competent officer, Mr Oozeer who has been at the Ministry of Finance and Economic Development for so many years and he is a knowledgeable person in tax matters. Unfortunately, with age, now he has given us, in a way, some kind of notice that he would be leaving at some point in time. Unfortunately, we have not had somebody to be trained to take up this position and we believe that a lawyer - it can be an attorney, it can be a barrister – would be a suitable person, if we can recruit one. In fact, we should not recruit only one. We should recruit two, so that in case one is not available, the other one will be available to advise and to work with the SLO in terms of tax matters.

The two Smart Cities are Omnicane and Médine.

Mr Baloomoody: We find the post of Financial Management Officer. Again, no provision was made and no provision has been made. May we know what is the status of that post?

Mr Jugnauth: I see it is a blank here. The PRB report of 2013 has recommended the creation of a new grade of Financial Management Officer to be filled by selection from among degree holders in the Financial Operations, Internal Control and Procurement and Supply Cadres. This Ministry is currently sponsoring

interested officers in the three cadres for appropriate degree programmes. Once a reasonable number of officers are qualified, the post will be filled in the context of professionalisation of the three cadres.

Mr Uteem: On the same page, *Principal Financial Operations Officer*, the number budgeted is rising from 2 to 71. May I know from the Minister of Finance and Economic Development what exactly these Principal Financial Operations Officers do?

Mr Jugnauth: The post for Senior Financial Operations Officer, which was made evanescent in the PRB report 2013, is being re-instated and restyled Principal Financial Operations Officer following PRB report 2016. The required number of positions in Ministries and Departments is being provided to take charge of small units in Finance Sections and assist in the implementation of the HRMIS project and E-budget. The number of posts per Ministry and Department would be reflected in the next budget upon finalisation of the Scheme of Service.

Mr Ameer Meea: On page 142, item *21110.005 Extra Assistance*. There is an amount of Rs14.4 m. I presume in this figure are the salaries of advisers to the Minister. So, may we have the details, a breakdown, and the names to this figure?

Mr Jugnauth: The provisions made for payment of salaries to eight advisers on contract inclusive of the Commissioner for the Protection of Borrowers as detailed.

Name of advisers

- (i) Mr K. Guptar
- (ii) Mr V. Maloo
- (iii) Dr. S. Narrainen
- (iv) Mr A. K. Nilambur
- (v) Mr M. Oozeer
- (vi) Mr A. P. Saddul
- (vii) Mrs S. Sona-Oree
- (viii) Mr R. K. Veeramundar

Mr Baloomoody: On the same page, with regard to the Assessment Review Committee, I see that there is no provision made for the year 2016/2017. May we know what is the fate of this Assessment Review Committee?

Mr Jugnauth: Provision is now shown under Sub-Head 06-104. The Assessment Review Committee will still be here.

Mr Ameer Meea: On page 142, item no. 21110.004, *Allowances*, Rs20 m. May we know the details of this amount?

Mr Jugnauth: Provision is made for the payment of *ad-hoc*, responsibility duty, entertainment allowances and allowances *in lieu* of duty remission on car to eligible staff. I have a series here and to save the time of the House, I can circulate that.

Mr Baloomoody: Item 22120 - *Fees*, I find an increase of Rs6 m. compared to last year. It was Rs12 m., now it is Rs18 m. and it will be Rs18 m. each year May we know the reason for that substantial increase?

Mr Jugnauth: This is fees to the Chairperson and members of Boards and Committees. These are provisions made for payment for those attending the following Committees –

- (a) Public Pension Advisory Committee;
- (b) The Sub-Committee on borrowing requirements of Government held at BoM;
- (c) Departmental Bid and Bid Evaluation Committees.

There are also fees for training, that is, payment of fees to UTM, for officers of the financial operations, procurement and supply and internal control cadres who are following the Diploma BSc courses, and to meet local training for other staffs. The list is a bit long, Madam Chairperson. The fees to consultants; there are provisions that are made for consultancy fees in relation to the upgrading of the parastatal information management system, refund of subscription fees to professional bodies in line with the recommendations of the PRB Report 2016. There are provisions also made in relation to procurement of technical expertise, both locally and abroad, where specialised skills are required. There are also provisions shown under vote 28-1 Centrally Managed Initiatives of Government.

Mr Uteem: *Item 22900.956, Expenses icw with Public Sector Efficiency Bureau.* May I know from the hon. Minister what this Public Sector Efficiency Bureau relates to?

Mr Jugnauth: This is a unit which had existed at the level of the Ministry of Financial Services, but which has been renamed as Public Sector Efficiency Bureau, and that will be at the Ministry of Finance. However, the object of that Bureau and the scheme that is being set up and so on, I can circulate, because it is quite long.

Mr Jhuboo: *Item 28212.019, DCP for Socio Economic Empowerment.* I see there is a provision of Rs36 m. for 2015 and no provision for 2016. Can we have the details of that?

Mr Jugnauth: I am informed that it has been transferred to the Ministry of Social Integration and Economic Empowerment.

Mr Ameer Meea: The last *item 28217, Other-* Rs600,000. May we know what this is?

Mr Jugnauth: Other expense, not elsewhere specified. Insurance: the provision required for payment of insurance cover for experts and advisers serving under the bilateral cooperation and provision for insurance cover for officers proceeding on overseas mission training.

Dr. Joomaye: *Item 26313.004, Board of Investment.* There has been a substantive increase of the budget from Rs198 m. to Rs266 m. and then it stabilises over the next two years. Can we know if there will be a restructuring of the Board of Investment justifying this increase of budgeting?

Mr Jugnauth: The provision is made for the acquisition of IT equipment, purchase of access points router, switches and server. There is also acquisition of software for the e-licensing platform. I will summarise; the purchase of additional server storage for backup and file sharing purpose.

(Interruptions)

The Chairperson: *Item 26313.004, Board of Investment.*

Mr Jugnauth: Well, I have been provided with the same information. Provision made to meet the recurrent expenses of BOI; so, compensation of employees - 108 funded positions. The increase caters for promotional and additional

posts of which four heads of departments, 13 investment executives and 1 manager. Number of officers in post: 90.

Mr Uteem: Under *Capital Expenditure - 26313.043, Mauritius Revenue Authority*. There is a substantial increase, almost doubled for next year and almost tripled for the following year. Therefore, may I know from the hon. Minister of Finance what capital expenditure are we talking about here?

Mr Jugnauth: There is a list of so many projects...

The Chairperson: You can circulate it!

Mr Jugnauth:...which I can circulate. However, just to name them - I do not want to go into the details.

Acquisition of IT equipment	:	Rs 38 m.
E-projects	:	Rs 60.95 m.
Furniture and equipment	:	Rs 28.50 m.
Other machinery and equipment	:	Rs 40.28 m.
Upgrading of ICT equipment	:	Rs 20.60 m.
Upgrading of office building	:	Rs102.07 m.
Acquisition of vehicles	:	Rs 5 m.

So, that makes a total of Rs295.40 m.

The Chairperson: Page 144. Hon. Uteem.

Mr Uteem: Under *item 21111.002, Travelling and Transport*, there is an increase from less than Rs1 m.to Rs5 m. every year. So, may I know what this 5-fold increase relates to?

Mr Jugnauth: Provision is made for payment of travel grant, travelling allowance and refund of bus fares to staff. The increase is mainly due to the fact that travelling expenses in relation of some officers were previously made under the Ministry of Finance budget and now shown under PPO Budget. The figures also include travelling expenses.

Mr Ameer Meea: On the same page 144, item *21110.005 - Extra Assistance*, where Rs4.4 m. is earmarked, may we have the details and breakdown?

Mr Jugnauth: The provision is made for payment of salaries to two members on contract and two engineers on contract, one for BOT and one for PPO.

Mr Quirin: Item 22120.008 – *Fees to Consultants* have been increased from Rs1.4 m. to Rs18 m. Can we have the breakdown and all the details regarding same?

Mr Jugnauth: They are provision made for payment of consultancy fees to consultant of the BOT Unit: Rs9.6 m. to foreign local consultants, PPO Rs4 m. and BOT Rs4.4 m. There are also legal fees; the provision now shown under subhead 6/103 Independent Review Panel.

Mr Baloomoody: Under the same item .007 - *Fees for Training*, may we know who provides the training and to whom because the fees is quite high, it is Rs15 m. Is it in-house or do we have a consultant who is providing the training?

Mr Jugnauth: For training –

- a. It is the BOT project officers and project team members from other Ministries, both training locally and abroad from centrally managed on a holistic result Rs5 m.
- b. Scaling up of e-procurement project 210 public bodies and change management, including training at Civil Service College Rs4 m.
- c. Online IP3 training BOT, Rs2 m. ;
- d. BOT staff abroad and BOT awareness campaign, Rs4 m.

I am also informed that new training to be developed by the Civil Service College.

Mr Fowdar: At page 144, under item 31132.103 – *e-procurement*, where a sum of Rs31 m. is earmarked. May we know what it comprises of? Is it software, computer equipment?

Mr Jugnauth: Provision has been made for rollover of e-procurement project, security audit for e-procurement and for systems stress and performance tests. There is a long explanation as to the status of the project. I can circulate or if the hon. Member wishes for me to read it, because they are in phases also and there is a description of all the phases.

The Chairperson: Page 145, hon. Uteem!

Mr Uteem: In relation to item 21 - *Personal Emoluments*, I cannot see whether the members of the IRP are remunerated. I see only the secretaries and the clericals, but not the chairperson and the assessors.

Mr Jugnauth: Well, I am told this is under another subhead, but I have the list of all the names of the members, their designation and their monthly fees that are payable. I can circulate that.

Mr Ameer Meea: At page 145, under item 22120 - *Fees*, there is an amount of Rs4.8 m. Can the hon. Minister circulate the details because, at times, we are given the breakdown, but we do not know in relation to which this amount has been spent? In a previous answer, he stated that Rs4 m. has been paid to BDO, but we do not know what work has been carried out. Therefore, I will kindly ask the hon. Minister if he can circulate it with the details.

Mr Jugnauth: Yes, I have circulated. In fact, as I said, they are fees to chairperson and members of the Board and committees. The Board consists of one Chairperson, 1 vice-Chairperson and 4 Members. There is also provision made for legal fees for cases lodged against the IRP before the Supreme Court.

The Chairperson: Page 146!

Mr Uteem: Under item 21 - *Compensation of Employees*, may I know if the hon. Minister has the figures of the number of cases, backlog of cases that are pending before the Assessment Review Committee?

Mr Jugnauth: Yes, I have a complete list and a table of all the cases. I can circulate.

Vote 6-1 Finance and Economic Development (Rs2,892,700,000) was, on question put, agreed to.

Vote 6-2 Central Procurement Board was called.

Mr Ameer Meea: There is an item 21110.005 - *Extra Assistance*, where is earmarked Rs12.7 m. Can we have the details?

Mr Jugnauth: Provision made for payment of salaries of nine contract officers, including the Board Chairperson, Vice-Chairman and Members.

Mr Baloomoody: We find that there is one post for Chief Executive. May we know who is the Chief Executive of the CPB now?

Mr Jugnauth: These are the composition of the Board. Not in post, there is none.

Mr Fowdar: At page 146, under item 21110, it seems that the post of Deputy Secretary, Central Tender Board is being abolished. Is that true?

Mr Jugnauth: I am told that Mr Dossiah, the Deputy Secretary is assigned duties of Chief Executive... That is in relation to the question of the hon. Member. Whereas for the Deputy Secretary, Central Tender Board, the post will be abolished on vacancy. I have further information, following the setting up of the Central Procurement Board, a body incorporated in 2006, the Central Tender Board Act which provided for the setting up of the ex-CTB, a Government body, was repealed. However, no transitional provisions had been made in the enactment for the staff of the ex-Central Tender Board to be transferred to the Central Procurement Board. Therefore, a new grade of Deputy Chief Executive has been created to enable the integration of the Deputy Secretary, Central Tender Board, in post in structure at the Central Procurement Board.

Mr Rughoobur: Following the statement of the hon. Minister of Finance for the post of Deputy Chief Executive at the Central Procurement Board, may I know from the hon. Minister if the post has been filled or will it be advertised to be filled during this current financial year?

Mr Jugnauth: Well, normally it should be because there is a provision made. Provision has been made for creation of a new grade of Deputy Chief Executive to enable the absorption of the Deputy Secretary of the former Central Tender Board in the new structure of the Central Procurement Board.

The Chairperson: Yes, last two questions on this page! Hon. Baloomoody!

Mr Baloomoody: Are we to understand that there is no Chief Executive and no Deputy Chief Executive at the Central Procurement Board now?

The Chairperson: It has already been replied.

Mr Jugnauth: Yes, pending the recruitment. As I said, yes, they have been assigned duties.

The Chairperson: Hon. Uteem! No! Page 148!

Mr Uteem: Under item *22120 Fees*, may we know what the increase of fees relates to?

Mr Jugnauth: This is provision made for payment of fees to assessors for evaluation of bids. This is fees also for training. This is provision made for payment of fees to resource persons of the Civil Service College for the training of Central Procurement Officers, Customer Service Excellence for supervisory level, leadership and strategic thinking, tender preparation and evaluation and also provision is made for payment of fees to legal authorities as and when required.

The Chairperson: Hon. Ameer Meea!

Mr Ameer Meea: Under item *22030 Rent*, there is an amount of Rs5 m. May we have the details as to what is being rented and the breakdown?

Mr Jugnauth: I have a long list. Provision is made for the renting of 1,406 square metres of office space at the NPF Building at Rose Hill divided into four blocks as per lease contracts payable to National Pension Fund as follows – I will circulate the details.

Vote 6-2 Central Procurement Board (Rs63,700,000) was, on question put, agreed to.

Vote 6-3 Treasury was called.

The Chairperson: Hon. Ameer Meea!

Mr Ameer Meea: On page 150, under item *22060 Maintenance*, there has been an increase of Rs3 m. to reach an amount of Rs21.675 m. May we have the details concerning this amount?

Mr Jugnauth: It is for IT equipment, servers, PCs, IT applications and renewal of oracle licences. Again, I have all the details which I can circulate with regard to plant and equipment also. It is also for repairs of vehicles and motorcycles. I will circulate it.

The Chairperson: Page 151! Yes, hon. Fowdar!

Mr Fowdar: Under item *31132.801 Acquisition of software*, I just wanted to know whether this is done with the collaboration of the NCB and the Ministry of Technology, Communication and Innovation.

Mr Jugnauth: I have to get the information because I have the details about the IT equipment. I have all the information, but I do not know whose advice they seek in order to acquire the IT equipment. It is done with the advice of CIB and the Ministry of Technology, Communication and Innovation.

Vote 6-3 Treasury (Rs130,700,000) was, on question put, agreed to.

Vote 6-4 Statistics Mauritius was called.

The Chairperson: Hon. Uteem!

Mr Uteem: On page 153, under item *22130 Studies and Surveys*, there is an increase from Rs18 m. to Rs38 m. and then to Rs52 m. So, may I know from the hon. Minister of Finance and Economic Development what the studies and surveys relate to?

Mr Jugnauth: Provision is made for continuous multipurpose household survey, household budget survey, survey of inbound and outbound tourists, cartography mission to Rodrigues and increase due to the conduct of household budget survey which was last conducted in 2012. I have all the details with regard to the sums that have been allocated for each one of them.

Mr Baloomoody: Under item *22120 Fees*, it was Rs7,446,000, now it is Rs16,029,000. May we know why there is such a substantial increase, more than 100%?

Mr Jugnauth: They are fees to Chairperson and members of the Statistics Board and departmental bid and Bid Evaluation Committees. They are also provision made to meet expenses in relation to seminars, workshops and training of staff as follows –

- it is a list of training in specialised statistical software such as GIS and CSPRO;
- workshop on sustainable development goals;
- induction courses for newly recruited statistical officers and statisticians;

- other training and presentations as and when required, and also
- provision made to meet fees to consultant in relation to statistical capacity building programme under AFDB grant which comprises of the following –
- consultancy for national strategy for the development of statistics;
- international comparison programmes;
- statistical business register;
- training and study tours;
- quality of life survey;
- participation in national and international events, and
- training.

There are also studies and surveys. There is a list.

The Chairperson: Last question on this vote, hon. Ameer Meea!

Mr Ameer Meea: Under item *010 Service to Mauritius*, there is an amount of Rs563,000. May we know what this amount is?

Mr Jugnauth: Service to Mauritius is a programme whereby there are graduates who are recruited and they are, therefore, put in certain Ministries and Departments. Therefore, this is the provision that has been made to pay them the allowances as interns.

Vote 6-4 Statistics Mauritius (Rs197,700,000) was, on question put, agreed to.

Vote 6-5 Valuation Department was called.

Mr Ameer Meea: Under item *22030 Rent*, in fact, it has decreased from Rs18 m. to Rs15 m. May we have the details and breakdown of this figure?

Mr Jugnauth: Provision is made to meet payment of rent at NeXteracom Tower II at Ébène for Levels 3 to 5 at a monthly rent of Rs1,299,270 monthly for a rate of Rs433.09 per square feet for an area of 3,000 square metres. The lease agreement took effect as from 01 May 2015 and expires on 30 April 2018.

It is also provision required for payment of 20 parking lots for eligible staff. This is what I have.

Vote 6-5 Valuation Department (Rs129,400,000) was, on question put, agreed to.

Vote 6-6 Corporate and Business Registration Department was called.

Mr Uteem: On page 156, 21 *Compensation of Employees 21110.001 Personal Emoluments - Official Receiver*, I had asked the question first now it is under this Ministry. There is going to be one. However, the sum allocated is only Rs200,000 for next year and then it goes up to Rs705,000. May I know from the hon. Minister of Finance why only Rs200,000 is budgeted for next year for Official Receiver?

Mr Jugnauth: The vacancy advertised in July 2013 but not qualified candidate applied in response thereto, the scheme of service is, therefore, being amended to enable filling of the vacancy.

Mr Baloomoody: For years, we have had the post of Deputy Registrar of Companies which has not been filled; may we know why when we know the amount of work that there is in the Department?

Mr Jugnauth: One new grade of Deputy Registrar of Companies is being created amongst others to deputise for the Registrar of Companies; to represent the Registrar of Companies in court and to prepare for succession planning.

Mr Ameer Meea: Under item *21110,005 Extra Assistance*, there is an amount of Rs1.1 m. May we have the details of this figure.

Mr Jugnauth: Provision made for payment of stipend of Rs125 per day to 15 training students from the University of Mauritius on placement to CBRD, outsourcing of services provided at the information centre; six HSC holders with ICT skills, ease of doing business, service of e-pillars and five HSC holders with ICT skills.

Mr Uteem: On page 157, last item *Capital Expenditure - 31132.401 Intangible Fixed Assets (b) Extensible Business Reporting Language* - there is Rs68 million for the project. May I know from the hon. Minister of Finance what this Extensible Business Reporting Language program is about?

Mr Jugnauth: Extensible Business Reporting Language - provision is made for the payment to Mauritius Network Services, for electronic filing of financial statements in XBRL format for some 2200 large companies as to create a standardised

format for financial reporting. So 5% representing retention money for the purchase of two servers for a contract sum of Rs5,651,973.23 from Anglo African Systems Limited.

Vote 6-6 Corporate and Business Registration Department (Rs110,400,000) was, on question put, agreed to.

Vote 6-7 Registrar-General's Department was called.

Mr Uteem: Under item 21 *Compensation of Employees*, being given that, in the Budget, it was announced that they are going to be the merger of the Registrar General's Department and the MRA, can I know from the hon. Minister of Finance why are we still budgeting for expenses of Registrar General's Office

Mr Jugnauth: Yes, we have to because there is going to be a process. As I have said, there is going to be consultations and whenever the time has come for there to be this change in the structure then, of course, we will adjust but we have to cater for all the items with regard to that Department.

Mr Baloomoody: On next page, Madam Chairperson, under item 22060 *Maintenance*, it was Rs10 m. last year and we are budgeting Rs18,190. May we know for what purpose?

Mr Jugnauth: There are buildings, the provision made for the maintenance and up-keeping of office buildings and toilets; provision made for the maintenance of air conditioners and other office equipment, and provision made for the maintenance of one vehicle attached to the Department. There is also for the IT equipment, a long list which I can circulate.

Mr Ameer Meea: Under item 22120 *Fees*, there is an amount of Rs200,000 budgeted, may we know the details of this amount.

Mr Jugnauth: Operational monitoring contract with the service provider includes capacity building of IT personnel in Mauritius and abroad. The RGD staff will also be given training to enable them to use the Mauritius e-registry system effectively.

Mr Baloomoody: Following my question on maintenance, in fact, we have an item 22030 *Rent*, Rs1 m. is being paid for rent so I take it that this unit is in rental premises. Why are we spending so much money to maintain those rental premises?

Mr Jugnauth: Let me get the information because what I have is for maintenance and upkeep of office building and toilets. I suppose there must be some adjustment that they have made with regard to the infrastructure in the building.

Vote 6-7 Registrar-General's Department (Rs109,400,000) was, on question put, agreed to.

Mr Jugnauth: Madam Chairperson, I beg leave to move that we do report progress and ask leave to sit again.

Question put and agreed to.

On the Assembly resuming, with Madam Speaker in the Chair, Madam Speaker reported accordingly.

ADJOURNMENT

The Prime Minister: Madam Speaker, I beg to move that this Assembly do now adjourn to Wednesday 17 August 2016 at 10.30 a.m.

The Deputy Prime Minister rose and seconded.

Question put and agreed to.

Madam Speaker: The House stands adjourned.

At 8.35 p.m. the Assembly was, on its rising, adjourned to Wednesday 17 August 2016 at 10.30 a.m.